

OFFERING PLAN

THIS OFFERING PLAN RELATES SOLELY TO
MEMBERSHIP IN THE

WINDEMERE

Home Owners Association, Inc.

AND TO THE DECLARATION OF COVENANTS AND
RESTRICTIONS APPLICABLE TO ALL 34 HOMES SOLD AT

WINDEMERE
Jericho Turnpike
Woodbury
Town of Oyster Bay
Nassau County, New York 11797

APPROXIMATE AMOUNT OF OFFERING: \$1,170,000
(Cost of Common Properties and Facilities
Included in the Purchase Price of the Homes)

SPONSOR and SELLING AGENT
Northgate Development Ltd.
Suite 201
4900 Merrick Road
Massapequa Park, New York 11762

THIS PLAN CONTAINS A SPECIAL RISK FACTOR.
SEE PAGE (iii).

APPROXIMATE DATE OF FIRST OFFERING TO THE
PUBLIC IS OCTOBER 21, 1982.

THIS PLAN MAY NOT BE USED AFTER OCTOBER 20, 1983
UNLESS EXTENDED OR AMENDED.

THIS OFFERING PLAN IS THE SPONSOR'S ENTIRE OFFER
TO SELL THESE MEMBERSHIP INTERESTS IN THE
ASSOCIATION. NEW YORK LAW REQUIRES THE SPONSOR
TO DISCLOSE ALL MATERIAL INFORMATION CONCERN-
ING THE HOME OWNERS ASSOCIATION IN THIS PLAN
AND TO FILE THIS PLAN WITH THE NEW YORK STATE
DEPARTMENT OF LAW PRIOR TO SELLING OR OFFERING
TO SELL ANY MEMBERSHIP INTEREST. FILING WITH
THE DEPARTMENT OF LAW DOES NOT MEAN THAT THE
DEPARTMENT OR ANY OTHER GOVERNMENT AGENCY
APPROVED THIS OFFERING.

This Plan has been amended see
inside front cover.

Amendment No. 1
Dated October 29, 1982

WINDEMERE HOME OWNERS ASSOCIATION, INC.

Paragraphs 3A, 5, and 6 of the Purchase Agreement (Exhibit D to the Offering Plan) are hereby deleted and replaced with the following new paragraphs:

3-A. Purchase Price. The purchase price is \$ payable as follows:

- (i) \$, Total Price;
- (ii) \$, previously received as a non-binding reservation deposit (where applicable);
- (iii) \$, on the signing of this agreement, the receipt whereof is hereby acknowledged;
- (iv) \$, on sheathing of Home;
- (v) \$, on sheetrocking of Home;
- (vi) \$, certified or bank cashier's check on substantial completion or issuance of Certificate of Occupancy.

5. Delivery of Deed, Incomplete Home at Time of Closing.
The closing of title shall take place at the office to be designated by the Seller or by the lending institution, if any, at o'clock on or about , 198 , or at another date and time designated by the Seller upon fifteen (15) days written notice mailed to the Purchasers at their address hereinabove set forth. The Seller shall be entitled to a reasonable adjournment in the closing of title as set forth in paragraph 19 of this Agreement in the event of delay by reason of weather conditions, strikes or material shortages, or delays in inspections and reports thereon, or other requirements. In the event the dwelling or its environs are not completed on the date set by Seller for closing of title, same shall not constitute an objection to closing title, provided Seller shall, by appropriate letter-agreement to survive title closing, agree to complete any open items within 60 days of the closing of title, weather and circumstances permitting.

In addition, the words "purchase money" set forth on the 7th line of Paragraph 3-c are hereby deleted and Paragraphs 7 ("Breach of Purchase Agreement by Purchaser") and 22 ("Trust Funds") are amended to conform to the Trust Fund language at page 14 of the Plan in that in the event of default by purchaser, which default continues for 30 days after notice of such default from Sponsor to Purchaser, the down payment (to a maximum of 10% of the purchase price plus the cost of any optional items ordered) may be released to the Sponsor as liquidated damages and, therefore, neither party shall have any rights or obligation against or to the other.

The Purchase Agreement is not conditioned upon a purchaser securing financing for the purchase of his home.

Other than as set forth above there are no other material changes which require an amendment to the Offering Plan.

NORTHGATE DEVELOPMENT LTD.
Sponsor

Amendment No. 2
Dated July 8, 1983

WINDEMERE HOME OWNERS ASSOCIATION, INC.

This Offering Plan was previously amended on October 28, 1982 (Amendment No. 1).

I. The Sponsor recorded the Declaration of Covenants, Restrictions, Easements, Charges and Liens (Exhibit A to the Offering Plan) in the Office of the Clerk of the County of Nassau on June 24, 1983 in Liber. 9481 p 843. The Plan is therefore effective. On such date the Sponsor had entered into Purchase Agreements for more than 15% of the homes.

II. This Plan may be used for six (6) months from the date this Amendment is duly accepted for filing and thereafter said date is to be extended in a further Amendment to be filed.

Other than as set forth above there are no other material changes which require an amendment to the Offering Plan.

NORTHGATE DEVELOPMENT LTD.
Sponsor

WINDEMERE
HOME OWNERS ASSOCIATION, INC.

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SPECIAL RISK FACTOR

THE MUNICIPALITY IS PRESENTLY NOT REQUIRING THE SPONSOR TO POST A COMPLETION BOND CONCERNING ANY IMPROVEMENT TO THE COMMON PROPERTIES AND THEREFORE ITS ABILITY TO COMPLETE THE CONSTRUCTION OF THE COMMON PROPERTIES WILL DEPEND SOLELY ON ITS FINANCIAL RESOURCES DURING THE PERIOD OF CONSTRUCTION.

The Purchase Agreement is not contingent upon a purchaser securing financing. See Amendment No. 1 to the Plan.

INTRODUCTION

Northgate Development Ltd., a New York Corporation (the "Sponsor" or "Developer"), is the owner of approximately 40 acres of land ("The Properties") located adjacent to the north side of Jericho Turnpike, Woodbury, Town of Oyster Bay, Nassau County, New York. Sponsor intends to construct 34 detached homes, each on an individual lot, in a development to be known as Windemere (the "Development").

In offering the 34 homes in the Development, the Sponsor is simultaneously offering mandatory memberships in Windemere Home Owners Association, Inc. (the "Association"), a membership corporation which has been organized under the Not-for-Profit Corporation Law of the State of New York, to own and maintain the common areas in the Development including but not limited to the roadways, the lake, tennis courts, natural and landscaped areas and the gate house. See page 10 for complete details of the services to be provided by the Association. A purchaser of a home in the Development will automatically assume the rights and obligations of membership in the Association upon closing title to his Home. Prospective purchasers should be aware that if they resell their Homes, those who purchase from them will also automatically become members of the Association. The mandatory nature of membership in the Association is set forth in the Declaration of Covenants, Restrictions, Easements, Charges and Liens (the "Declaration") annexed as Exhibit A to this Offering Plan and is set forth in the Purchase Agreement and Deed annexed hereto as Exhibits D and E, respectively. A summary of the Declaration is set forth at pages 10 through 13.

The Association will own approximately 10 of the above mentioned 40 acres of land (the "Common Properties" or "Common Areas") including natural and landscaped areas, internal roadways, tennis courts, and the lake for use by Association members. The Sponsor will deed the Common Properties to the Association free and clear of all mortgages prior to the closing to the first Home in the Development. See page 13. A full description of the Common Properties is set forth at page 8. Upon the recordation of the Declaration in the Nassau County Clerk's Office, the Common Properties will become subservient to and have only minimal value separate and apart from the Homes. The Sponsor estimates that, absent the effect of the recording of the Declaration, the Common Properties would have a market value of approximately \$1,170,000.

Commencing with the recording of the Declaration, each Home Owner will become responsible for the payment of a pro rata portion of the expenses of the Association arising from the operation and maintenance of the Common Areas, including snow plowing, landscape maintenance and other expenses,

premiums for liability insurance covering the Common Areas, and the creation of such reserves for contingencies as the Board of Directors of the Association may deem proper. The Sponsor will control the Board of Directors for a period of two years from the recording of the Declaration of Covenants, Restrictions, Easements, Charges and Liens or until 51% of the Homes are sold, whichever occurs first. See page 11. The estimated charges for the first full year of operation of the Association are set forth on page 3. Each Association member in the Development is responsible at his own cost and expense for maintenance of his home and lot and fire and liability insurance covering his own Home. Purchasers will be required to pay monthly maintenance charges in advance, the first of which will be due upon the acquisition of title to each Home. See the Section of the Offering Plan entitled, "The Association" at page 10 and the By-Laws of the Association annexed hereto as Exhibit C.

This Offering Plan relates solely to the rights and obligations of purchasers as members of the Association and as contained in the annexed Declaration. This Offering Plan does not relate to the purchase of land or homes other than as set forth above and should not be relied upon except for the specific purposes set forth herein. ALL OF THE DOCUMENTS IN THIS OFFERING PLAN ARE IMPORTANT. IT IS SUGGESTED THAT YOU CONSULT YOUR ATTORNEY OR FINANCIAL ADVISOR AND PROVIDE HIM WITH A COPY OF THIS PLAN BEFORE PURCHASING YOUR HOME.

ESTIMATE OF RECEIPTS, EXPENDITURES, INCOME
AND RESERVE FOR THE FIRST YEAR OF OPERATION OF
WINDEMERE
HOME OWNERS ASSOCIATION, INC.*

INCOME

Association Assessments
(34 HOMES)

\$83,637

EXPENSES

Security (1)	\$52,560
Snow Plowing (2)	3,000
Landscape and Lake Maintenance (3)	9,500
Insurance (4)	6,200
Accounting (5)	1,500
Legal Contingency	300
Miscellaneous Office Expense	1,000
Miscellaneous Maintenance Contingency	2,800
Real Estate Taxes (6)	-0-
Water (7)	1,863
Electricity (8)	<u>4,914</u>

Total Expenses

\$83,637

ESTIMATED ANNUAL COST PER MEMBER - \$2,459.91

ESTIMATED MONTHLY COST PER MEMBER - \$ 204.99

*Assumes First Year to Commence June 1, 1983.

EXPLANATORY FOOTNOTES

1. Provides for guard service at the gate house 24 hours per day, 7 days per week. Based on estimate dated September 3, 1982 received from Gateway Security Service, Inc., 115 South Corona Avenue, Valley Stream, New York.
2. Provides for snow removal and sanding for snow falls in excess of two (2) inches of snow (approximately five [5] snow falls per year). Based on estimate received from Star Sand and Gravel Corp., 36 Landview Avenue, Dix Hills, New York.
3. Provides for common area maintenance, including lake, tennis court, gate house, landscaping and maintenance. Based on estimate dated August 16, 1982 received from Garden Craft Landscaping, East Meadow, New York.
4. Provides for \$1,000,000 liability insurance for the common areas, property insurance for the gate house and \$1,000,000 for Directors and Officers liability insurance. Based on estimates dated September 7, 1982 and October 4, 1982 received from W. G. Aaronson, Inc., 105 Grand Avenue, Massapequa, New York.
5. Provides for preparation of annual statement.
6. It is anticipated that the land owned by the Association will not be taxed separately but rather the assessed valuation of the common area will be reflected in the taxes of the individual Homes. In the event a separate tax is placed on the Association's property the budget will be increased accordingly.
7. Provides for water charges for lake replacement water (750,000 gallons) and common area sprinklers (2,400,000 gallons) at Jericho Water District charges of .75 per 1,000 gallons. Based on estimate received from Automatic Irrigation Design, Hempstead, New York by letter dated August 16, 1982.
8. Provides for electricity for entrance lighting, lake pump and gate house. Based on estimate dated July 29, 1982 received from LILCO.

LETTER OF ADEQUACY

PRESTIGE CONDOMINIUM MANAGEMENT, INC.
P.O. BOX 188
DEER PARK, N.Y. 11729

August 24, 1982

Windemere Homeowners Assoc.

Gentlemen:

We have reviewed for inclusion in your Offering Plan for Windemere Homeowners Association, Inc. the foregoing Schedule of the estimated receipts and expenses of your Corporation for the first year of operation.

In our opinion, the estimates are reasonable and adequate, under existing circumstances, for the first year of operation. However, because of the possibility of unforeseeable changes in the economy, increase or decrease in expenses of operations, our estimates are not intended to be taken as representations, guarantees or warranties of any kind whatsoever, or as any assurance that the actual expenses of income of your corporation for any period of operation may not vary from the amounts shown or that your corporation may not incur additional expenses, or that your Board of Directors may not provide for reserves not reflected in the schedule, or that the annual maintenance charges for any period may not vary from the amounts shown therein. It may be expected, based on current trends that items such as fuel costs, maintenance, repair, labor and other related expenses will increase in future years.

Our estimates are based upon the operation of projects of similar size and types as well as engineers' estimates.

Our firm has been managing and maintaining Homeowners Associations, Condominium Projects and at present is rendering such services to other residential communities.

Very truly yours,

Ruth Montalbino
Ruth Montalbino
President

RM:cb

WOFSEY, CERTILMAN, HAFT, LEBOW & BALIN

ATTORNEYS AND COUNSELLORS AT LAW

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NEW YORK, N.Y. 10004

(212) 425-4320

October 5, 1982

Northgate Development Ltd.
Suite 201
4900 Merrick Road
Massapequa Park, NY 11762

Re: Windemere Home Owners Association, Inc.

Gentlemen:

We have examined the Offering Plan and various supporting pages for the above captioned Home Owners Association. It is our opinion that the Declaration of Covenants and Restrictions, annexed as Exhibit A to the Offering Plan will, when recorded in the Nassau County Clerk's Office, be legal and valid and that persons purchasing homes in the Windemere development shall automatically become members of the Windemere Home Owners Association, Inc. (the "Association"), assuming all rights and obligations of membership.

Under present law, it is our opinion that members of the Association will not be entitled to deduct any portion of their annual Association assessment payments, as presently constituted, for Federal or New York State income tax purposes.

In adding a new Section 528 to the Code, the Tax Reform Act of 1976 affords certain Home Owner Associations, substantially all of whose homes are used for residences, the opportunity to elect to be treated as tax exempt organizations. In order to qualify, sixty percent or more of the gross income must consist of amounts received as membership dues, fees or assessments from the Home Owners and 90 percent or more of the expenditures must be for the acquisition, construction, management, maintenance and care of the Home Owner Association property, which property, as defined in Section 528 of the Code, include property held by the Home Owners Association, property commonly held by the members of the Home Owners Association or property within the Home Owners Association held by the members of the Home Owners Association. Based upon our examination of the Offering Plan and subject to the Home Owners Association actually satisfying the minimum percentage income and expenditure criteria set forth above, it

is our opinion that the Home Owners Association will be eligible to elect to be treated as a tax exempt organization under Section 528 of the Code.

Such an election will exempt from Federal and New York State Income Taxation all amounts received by the Home Owners Association from the Home Owners as membership dues, fees or assessments. The Home Owners Association will be taxed, however, on any excess of income over expenses from unrelated sources. Examples of unrelated sources income include interest earned on reserve funds, income from concessions and income from dues or fees received from persons other than the Home Owners. In the event the Home Owners Association fails to qualify for and elect Section 528 taxation status in any year, it may, to the extent it has any income from unrelated sources or from accumulated revenues received by virtue of dues, fees and assessments received from Home Owners not expended in any taxable year, be subject to Federal and New York State Income Taxation (see Rev. Ruling 74-99, 1974-1 CB131).

Immediately upon the recording of the Declaration of Covenants and Restrictions in the Nassau County Clerk's Office, the Common Areas of the Development will become subservient to and have only minimal value separate and apart from the individual homes. Accordingly, it is anticipated that the assessment on each home will reflect an equal proportionate amount for the Common Areas. Should a separate assessment be levied on the Common Areas during their initial years of operation, it is anticipated that such assessment and the resulting tax will be nominal. Under present law, payments made by individual owners for real estate taxes on their homes, inclusive of that portion of such taxes attributable to a proportionate assessment of the value of the Common Areas, are, in our opinion, tax deductible.

We have examined the Declaration of Covenants, Restrictions, Easements, Charges and Liens to be placed on the property. It is our opinion that such Declaration when recorded will be binding on all home owners at Windemere.

We have been advised that you intend to use this letter as part of the Offering Plan and we consent to its inclusion in the plan.

Very truly yours,

WOFSEY, CERTILMAN, HAFT,
LEBOW & BALIN

DESCRIPTION OF COMMON AREAS AND FACILITIES
TO BE OWNED BY THE ASSOCIATION

SITE:

The site is located adjacent to Jericho Turnpike in Woodbury, Nassau County, New York. The parcel consists of approximately 40 acres. The Development has a frontage of 1641.1 feet on Jericho Turnpike and goes back to Cypress Drive with 763.48 feet on Cypress Drive. The main entrance to the Development will be on Jericho Turnpike opposite Juneau Boulevard, and will have a gatehouse at the entrance. There is an existing traffic light at Jericho Turnpike and Juneau Boulevard which will be modified to include the main entrance to the Development. There will be a secondary, emergency only entrance to the Development on Cypress Drive which will be gated and locked, with the keys held by the police and fire departments.

There are 34 lots for 34 single family detached homes. Each lot ranges in size from 25,000 to 54,977 square feet. This area totals approximately 30 acres. The remaining 10 acres will be owned by the Association as Common Area.

ROADWAYS:

All roads and parking areas to be constructed within the Development are to be owned and maintained by the Association. All interior streets will be constructed to the widths as shown on the Subdivision Map. Base course shall consist of 4-1/2 inches compacted stone-blend installed on a well drained, granular, compacted base. Blend base will be covered with a 1-1/2 inch plant mix asphalt topping, rolled and compacted in accordance with Nassau County Planning Commission Specifications for Residential Streets.

UTILITIES

A water supply system (to which water shall be provided from the Jericho Water District) will be installed by the Sponsor. The water supply system will become the property of the Jericho Water District after installation. Individual water meters shall be installed for each home. The cost of the water consumed in each home will be an individual expense of each home owner.

Gas and electric service will be provided by Long Island Lighting Company. Telephone service will be provided by the New York Telephone Company.

REFUSE REMOVAL

Refuse collections will be on a private contract basis with an independent contractor chosen by the Association. The cost

of such collection shall be an individual expense of each home owner.

SEWAGE

Sewage disposal in the Community will be by means of a common septic system located in the Development. It is presently anticipated that the Municipal Sewer System will be brought to the Development by approximately 1985. The Sponsor will install the sewer main in the Development which will be brought to the property line for future connection to the Municipal sewer line to be installed under Jericho Turnpike. The future connection to the Municipal sewer line will be made by the Association at its own cost and expense. No representation is made as to the cost of such connection or when the Municipal Sewer System will be available for use by the Development.

RECREATIONAL FACILITIES

The recreational facilities in the Development will consist of the following:

1. Lake - a man-made 4+ acre lake will be constructed in the central portion of the Development. The lake will serve as an aesthetic scenic amenity, as well as a recharge basin for water drainage from the interior roadways. The lake will have a pump and filtration system that will continually aerate, circulate and filter the water contained therein.
2. Tennis Courts - two all-weather regulation sized tennis courts will be constructed in the northeast interior portion of the Development. The two courts will be of standard dimensions and will be enclosed by a 10 foot high chain link fence.

The Sponsor will make periodic visits to the Development at reasonable intervals to correct any defects in the construction of any of the improvements forming the Common Properties due to improper workmanship or material substantially at variance with this Offering Plan on condition that it is notified or becomes aware of such defects within one year from the date of substantial completion of the Common Properties.

NASSAU COUNTY PLANNING COMMISSION APPROVAL

As of the initial effective date of this Plan, the Sponsor has received preliminary approval from the Nassau County Planning Commission but has not received final subdivision approval. When final subdivision approval has been granted and the subdivision map has been filed, the Sponsor will disclose such facts by means of a duly filed amendment to this Plan. No closing will be held until final approval is received and the subdivision map is filed. If the subdivision map has not been filed within 12 months of the date of presentation of the Plan all purchasers will be given the right to rescind their Purchase Agreements.

MUNICIPAL AND OTHER FACILITIES

The Development is served by the Woodbury Syosset School District, the Syosset Fire Department and the Nassau County Police Department. The Syosset-Woodbury Town Park and the former "Bruce Estate" Town Park are approximately one-half to three-fourths of a mile to the west of the Development.

THE ASSOCIATION

A. Declaration of Covenants, Restrictions, Easements, Charges and Liens

Prior to the closing of title to any Home in the Development, the Sponsor will record the Declaration of Covenants, Restrictions, Easements, Charges and Liens, together with the By-Laws annexed to and made a part thereof, with the Office of the Clerk of the County of Nassau. This Declaration and the annexed By-Laws have been included in this Offering Plan as Exhibits A and C.

The Sponsor has organized the Windemere Home Owners Association, Inc. under the provisions of the New York Not-for-Profit Corporation Law, for the purpose of owning, maintaining and operating the roadways, natural and landscaped areas, and recreational facilities comprising the Common Properties. The Declaration of Covenants, Restrictions, Easements, Charges and Liens provides the framework and procedures by which the Association will maintain and administer said land and improvements.

Upon the sale and conveyance of a Home by the Sponsor, the purchaser thereof will automatically become a "Member" of the Association (as membership is included in the price of the home) subject to the Association rules and regulations and liable for its assessments as hereinafter provided.

The Declaration of Covenants, Restrictions, Easements, Charges and Liens gives each Member of the Association an easement in and to the, roadways, and recreational facilities located on the Common Properties for himself and his guests. Each Member is also granted easements to connect with and make use of certain utility and sewer and drainage lines. The instrument also makes provision for various easements in favor of the Association and the Sponsor including, in the case of the Sponsor, the retention of easements necessary for the completion of construction and sale of 34 Homes in the Development.

The Declaration of Covenants, Restrictions, Easements, Charges and Liens provides that the Association shall have control over the Common Areas. In addition, the use of a Home and the Common Areas are subject to various covenants and restrictions. See Article XI of the Declaration for a full description of such restrictions.

The Members' right to the use and enjoyment of the Common Properties, which expires on December 31, 2011, will be automatically extended for successive ten year periods, unless 80% of the owners of homes constructed on The Properties agree to change the Declaration of Covenants, Restrictions, Easements, Charges and Liens in whole or in part.

B. Management and Operation of
the Association

The affairs of the Association shall be governed by a Board of Directors, consisting of no less than three, nor more than five members, each of whom, subsequent to those designated or elected by the Sponsor, must be a Member of the Association. The Sponsor will designate an initial Board of Directors consisting of three Directors to serve until the first annual meeting of the Association. The Sponsor has initially designated Melvin Kaplan, Lawrence Kaplan, and Neal Kaplan as the first Board of Directors.

At the first annual meeting and at all subsequent annual meetings the membership will elect five Directors to serve for one year terms. Cumulative voting will be employed in the election of Directors. Each voting Member will be entitled to cast as many votes as equal the number of Directors to be elected and a Member may cast all of such votes for a single Director or may distribute them among two or more of them as he sees fit.

C. Control by Sponsor

Notwithstanding the provisions of Paragraph "B" above, the Sponsor will have the right to designate three Directors at any annual meeting of the Association members until the second anniversary date of the recording of the Declaration of Covenants, Restrictions, Easements, Charges and Liens applicable to the Development or until 51% of the Homes in the Development are sold, whichever occurs first. During this period the Board of Directors will consist of five members. Thereafter, the Sponsor will have the right to designate one Director for so long as it holds at least one membership. The Sponsor may not cast its votes to elect any Directors in addition to the designated Directors set forth above. When Sponsor no longer owns any membership interests it may no longer designate any Directors. However, so long as the Sponsor or its designee shall continue to own membership interests representing at least 25% of the total membership, but in no event later than 3 years from the closing of title to the first home, the Board of Directors may not, without the Sponsor's prior written consent, (i) make any addition, alteration or improvement to the common areas, or (ii) assess any Association charge for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund, or (iii) hire any employee in addition to the employees referred to in the Offering Plan of Windemere Home

Owners Association, Inc., or (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date that the said plan is declared effective or (v) borrow money on behalf of the Association, or (vi) increase or decrease the services or maintenance set forth in Schedule A of the Windemere Home Owners Association, Inc. Offering Plan, or (vii) purchase any materials, equipment or other goods costing in total in excess of \$5,000.

D. Expenses of Operating
the Association

The costs and expenses of operating the Home Owners Association and of making capital improvements, if any, will be allocated equally among the 34 Homes in the Development. The Developer's obligation for such assessments on unsold homes subject to the Declaration will be limited to the difference between the actual operating costs of the Association, including reserves on the Common Properties and on homes to which title has been conveyed and the assessments levied on owners who have closed title on their homes. In no event, however, will the Developer be required to make a deficiency contribution in an amount greater than it would otherwise be liable for if it were paying assessments on unsold Homes.

By his acceptance of a deed, each Home Owner subject to the Declaration will be deemed to covenant and agree to pay to the Home Owners Association such assessments as are fixed by its Board of Directors. Any sum assessed by the Board but unpaid, together with interest and reasonable collection costs, will constitute a personal obligation of the person who was the owner of the property when the assessment fell due, as well as a charge on the land and a continuing lien on the property against which the assessment is made.

As the Home Owners Association will be an automatic Home Owners Association, no member may exempt himself from contributing toward the expenses of the Home Owners Association by waiver of the use of the improvements maintained by the Association.

Set forth at page 3 is an estimate of the receipts and operating expenses of the Association for its first full year of operation.

At the closing of title to a Home a purchaser will contribute \$250.00 to the Association as initial working capital. During the period that Sponsor is in control of the Board of Directors, the working capital fund will not be used to reduce Association assessments. If any portion of the working capital fund is used during this period to pay for items in the budget set forth at page 3, such amounts will be repaid to such fund out of the Association assessments collected.

E. Membership and Voting Rights
in the Association

The Association shall have one class of membership interest. The Owner(s) of each dwelling unit in the Development shall be a Member whether such ownership is joint, in common or tenancy by the entirety.

Each Owner of a Home in the Development is entitled to one vote. Sponsor as the owner of all untitled homes whether built or unbuilt will have one vote for each such home. See page 11 for Sponsor's right to designate three Directors until the second anniversary of the recording of the Declaration. Other than as set forth above, no member shall split or divide its votes on any motion, resolution or ballot other than in the cumulative voting procedure employed in the election of Directors.

OBLIGATIONS OF SPONSOR

Prior to the conveyance of title to any home, the Sponsor will arrange for the home to be released from the provisions of any land or construction loan mortgage encumbering the Development. The Common Areas will be released from the lien of these mortgages prior to their conveyance by the Sponsor to the Association. The Sponsor will complete the construction of all roadways, directly serving a home before conveying title to the home. The recreation facilities will be substantially completed within one year of the closing of title to the first Home. The Sponsor will convey title to the Common Areas to the Association prior to the closing of title to the first home. Landscaping of the Common Areas will be completed prior to the closing of title to the last home or the following planting season. The Sponsor's obligations to complete the construction of the Common Properties will survive their conveyance to the Association. THE SPONSOR IS NOT POSTING A COMPLETION BOND CONCERNING ANY IMPROVEMENT TO THE COMMON PROPERTIES AND ITS ABILITY TO COMPLETE THE CONSTRUCTION OF THE COMMON PROPERTIES WILL DEPEND SOLELY ON ITS FINANCIAL RESOURCES DURING THE PERIOD OF CONSTRUCTION.

At the time of the transfer of title of the Common Properties by the Sponsor to the Association, the Sponsor will furnish the Association with a fee title policy covering the lands comprising the Common Properties. This fee policy of title insurance will be issued by a reputable title insurance company licensed to do business in the State of New York, and shall be in the amount of \$1,170,000. Any proceeds of such title policy arising out of a claim of defective title, pertaining to land being conveyed to the Association, will be held for the benefit of and delivered to the Association.

Effective Date of Plan

This Offering Plan will become effective on the date that

the Declaration of Covenants, Restrictions, Easements, Charges and Liens is recorded. Sponsor will disclose the Plan's effectiveness by means of a duly filed amendment to this Plan. Sponsor will not record the Declaration of Covenants, Restrictions, Easements, Charges and Liens until it has received purchase agreements for at least 15% of the memberships offered herein (5).

Procedure to Purchase

A person desiring to purchase a Home in the Development will be required to execute a purchase agreement in the form set forth as Exhibit D of this Plan and to return it to the Selling Agent together with a check in the amount of 10% of the total purchase price. No purchase agreement may be entered into unless purchaser has received a copy of the Offering Plan at least 3 full business days prior to the execution of the purchase agreement. The purchase agreement provides that the closing of title will not be scheduled on less than 15 days written notice to the purchaser and that purchaser will have 30 days to cure any default under the purchase agreement.

Trust Funds

The Sponsor will hold all monies received directly or through its agents or employees in trust until the closing of title or Sponsor will post a surety bond issued by a New York insurance company securing repayment of such funds in the event the purchaser is entitled to such amount under the terms of the Offering Plan or Purchase Agreement. If no bond is posted, such funds will be held as trust funds pursuant to Section 352-h and Section 352e2(b) of the General Business Law, in a special account Chemical Bank, 4900 Merrick Road, Massapequa Park, New York. The signature of Neal Kaplan, Esq., 4900 Merrick Road, Massapequa Park, New York, New York, as attorney for the Sponsor, shall be required to withdraw any of such funds. Such funds will be payable to the Sponsor upon the closing of title to the Home covered by the Purchase Agreement. In the event of default by the purchaser under such Purchase Agreement, which default continues for 30 days after notice of such default from the Sponsor to the purchaser, the down payment (to a maximum of 10% of the purchase price plus the cost of any optional items ordered) may be released to the Sponsor from such account as liquidated damages and thereafter neither party shall have any rights or obligations against or to the other.

MANAGEMENT AGREEMENT AND OTHER CONTRACTUAL ARRANGEMENTS

The Sponsor has not entered into any management contract to provide for management of the Common Properties. No representation is made as to the cost, terms or availability of a Management Agent.

The Board of Directors of the Association will be responsible for the management of the Association, and may perform this function itself or hire a managing agent to bill and collect the annual maintenance charges, hire and fire employees, supervise alterations and repairs, maintain the Association's books and records, advise the Board of Directors of its proposed annual budget, provide each home owner annually with a Balance Sheet and Profit and Loss Statement prepared and verified by an independent public accountant, purchase supplies for the Association and generally perform the duties of a managing agent for residential property. In performing its duties, the Board of Directors or a managing agent employed by it, may engage contractors for the purpose of carrying out the maintenance and repair of the Common Properties. At the present time no contracts have been entered into with contractors for these purposes.

IDENTITY OF PARTIES

The Sponsor is Northgate Development Ltd., a New York corporation with offices at 4900 Merrick Road, Massapequa Park, New York. The sole officers and principals of Sponsor are Melvin Kaplan, President, and Lawrence Kaplan, Secretary. Messrs. Kaplan have been building and developing commercial and residential developments in New York City and on Long Island for the past 20 years. They are also the principals of a partner of Sponsor of The Southgate at Bar Harbour Home Owners Association, Inc. Offering Plan.

All legal matters in connection with the establishment of the Association, the opinions of counsel contained herein, and the preparation of the Offering Plan have been passed upon for the Sponsor by Wofsey, Certilman, Haft, Lebow & Balin, 71 South Central Avenue, Valley Stream, New York. All legal matters with respect to zoning have been passed upon by Neal Kaplan, Esq., 4900 Merrick Road, Massapequa Park, New York.

REPORTS TO MEMBERS

All members of the Association will receive annually (within four months of the end of each fiscal year) at the expense of the Association, copies of a Balance Sheet and a Profit and Loss Statement of the Association prepared and verified by an independent public accountant, a statement regarding taxable income attributable to the members, if any, and a notice of the holding of the annual meeting of the Association.

DOCUMENTS ON FILE

In accordance with Section 352-e(9) of the General Business Law, copies of this Offering Plan and all Exhibits or documents referred to herein will be available for inspection by prospective purchasers and by any person who has purchased a security offered by this Plan or who has otherwise participated in this Offering

at the offices of the Sponsor at the address indicated on the front cover of this Offering Plan, and will remain available for such inspection for a period of six years.

PROFIT

Although it is impossible to estimate the profits of the Sponsor in the construction of this Development because of many contingent factors, it is anticipated that the Sponsor will make a substantial profit.

GENERAL

This Offering Plan contains a fair summary of the material facts of this Offering and does not knowingly omit any material fact or contain any untrue statement of any material fact.

There are no lawsuits or other proceedings now pending or any judgment outstanding, either against the Sponsor or the Association or any person or persons which might become a lien against the Development or which materially affect this Offering.

In accordance with the provisions of the laws of the State of New York, the Sponsor represents that it will not discriminate against any person because of his race, sex, creed, color, national origin or ancestry in the sale of homes at Windemere and in the simultaneous offering of memberships in the Association under this Offering Plan.

As of the date of first presentation of this Plan, neither the Sponsor nor any of its agents has raised funds or made any preliminary offering or binding agreement to or with prospective home owners.

The Plan may be amended at any time and from time to time provided that, if the amendment is a material and substantial modification of the Plan which adversely affects Purchasers of shares, then anyone who has theretofore executed a Purchase Agreement shall be given not less than 30 days after a copy of the duly filed amendment is mailed or otherwise delivered to them by written notice to the Sponsor and Selling Agent to cancel the Purchase Agreement and to obtain a refund, in full, of the down payment made herewith.

No person has been authorized to make any representation which is not expressly contained herein. This Offering Plan may not be changed or modified orally but only by a duly filed amendment.

NORTHGATE DEVELOPMENT LTD.
Sponsor

Dated: October 21, 1982

CERTIFICATION OF SPONSOR AND SPONSOR'S PRINCIPALS

Department of Law
State of New York
2 World Trade Center
New York, NY 10047

Att: Real Estate Financing Bureau

RE: Windemere Home Owners Association, Inc.
Jericho Turnpike
Woodbury, New York

We are the sponsor and the principals" of sponsor of the offering to sell membership interests in the subject Home Owners Association.

We understand that we have primary responsibility for compliance with the provisions of Article 23-A of the General Business Law, and such other laws and regulations as may be applicable.

We have read the entire offering plan. We have investigated the facts set forth in the offering plan and the underlying facts. We have exercised due diligence to form a basis for making this certification. We jointly and severally certify that the offering plan does, and that all documents submitted hereafter by us which amend or supplement the offering plan will:

- (1) set forth the detailed terms of the transaction and be complete, current and accurate;
- (2) afford potential investors, purchasers and participants an adequate basis upon which to fund their judgment;

*"Principals" means all individual sponsors' all general partners of sponsors that are partnerships; all officers, directors and shareholders of a corporate sponsor that are actively involved in the planning and consummation of the offering; and all other individuals who both own an interest in or control sponsor and actively participate in the planning and consummation of the offering, regardless of the form of organization of sponsor.

- (3) not omit any material fact;
- (4) not contain any untrue statement of a material fact;
- (5) not contain any fraud, deception, concealment, suppression, false pretense or fictitious or pretended purchase or sale;
- (6) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;
- (7) not contain any representation or statement which is false, where we: (i) knew the truth; (ii) with reasonable effort could have known the truth; (iii) made no reasonable effort to ascertain the truth; or (iv) did not have knowledge concerning the representations or statement made.

This certification is made under penalty of perjury for the benefit of all persons to whom this offer is made. We understand that violations are subject to the civil and criminal penalties of the General Business Law and Penal Law.

NORTHGATE DEVELOPMENT, LTD.

By Melvin Kaplan
MELVIN KAPLAN, PRESIDENT

SPONSOR'S PRINCIPALS

Melvin Kaplan
MELVIN KAPLAN

Lawrence Kaplan
LAWRENCE KAPLAN

Sworn to before me this
9th day of August, 1982.

Neal S. Kaplan
Notary Public

NEAL S. KAPLAN
Notary Public, State of New York
No. 30-02KA4685544
Qualified in Nassau County
Commission Expires March 30, 1984

CERTIFICATION BY SPONSOR'S ARCHITECT

Department of Law
State of New York
2 World Trade Center
New York, N.Y. 10047

RE: Windemere
Windemere Home Owners Association, Inc.
Jericho Turnpike
Woodbury

The sponsor of the Home Owners Association Offering Plan of the captioned property retained our firm to prepare a statement describing the gate house when constructed (the "Statement"). We examined the plans for the gate house and prepared the Statement pertaining to the gate house dated August 31, 1982, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on the statement.

(We understand that we are responsible for complying with Article 23-A of the General Business Law as it applies the Statement concerned.)

We have read the entire description as set forth in the Statement and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made. We certify that the Statement does:

- (i) set forth in narrative form the physical condition of the gate house as it will exist upon completion of construction, provided that construction is in accordance with the plans that we prepared.
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition as it will exist upon completion of construction, provided that construction is in accordance with the plans that we prepared.
- (iii) not omit any material fact;
- (iv) not contain any untrue statement of a material fact;
- (v) not contain any fraud, deception, concealment, or suppression;
- (vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

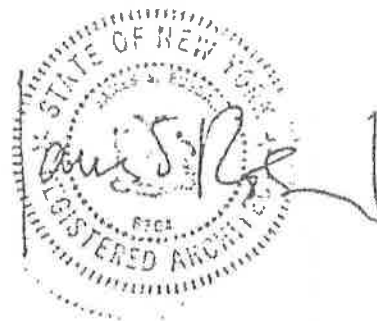
- (vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did not have knowledge concerning the representations of statement made.

By James S. Rosen

Sworn to before me this
31ST day of AUGUST, 1982.

Robert C. McMillan
Notary Public

ROBERT C. McMILLAN
Notary Public, State of New York
No. 31-4725454
Qualified in New York County
Commission Expires March 30, 1984



CERTIFICATION BY SPONSOR'S ENGINEER

Department of Law
State of New York
2 World Trade Center
New York, N.Y. 10047

RE: Windemere
Windemere Home Owners Association, Inc.
Jericho Turnpike
Woodbury

The sponsor of the Home Owners Association Offering Plan of the captioned property retained our firm to prepare a statement describing the interior streets, tennis courts, rainfall storage and permanent aesthetic pond (the "Statement"). We examined the plans for the interior streets, tennis courts, rainfall storage and permanent aesthetic pond and prepared the Statement pertaining to the interior streets, tennis courts, rainfall storage and permanent aesthetic pond dated August 31, 1982, a copy of which is intended to be incorporated into the Offering Plan so that prospective purchasers may rely on the statement.

(We understand that we are responsible for complying with Article 23-A of the General Business Law as it applies to the Statement concerned.)

We have read the entire description as set forth in the Statement and the facts underlying it with due diligence in order to form a basis for this certification. This certification is made for the benefit of all persons to whom this offer is made. We certify that the Statement does:

- (i) set forth in narrative form the physical condition of the interior streets, tennis courts, rainfall storage and permanent aesthetic pond as it will exist upon completion of construction, provided that construction is in accordance with the plans that we prepared.
- (ii) afford potential investors, purchasers and participants an adequate basis upon which to found their judgment concerning the physical condition as it will exist upon completion of construction, provided that construction is in accordance with the plans that we prepared.
- (iii) not omit any material fact;
- (iv) not contain any untrue statement of a material fact;
- (v) not contain any fraud, deception, concealment, or suppression;
- (vi) not contain any promise or representation as to the future which is beyond reasonable expectation or unwarranted by existing circumstances;

(vii) not contain any representation or statement which is false, where we: (a) knew the truth; (b) with reasonable effort could have known the truth; (c) made no reasonable effort to ascertain the truth; or (d) did ~~not~~ have knowledge concerning the representation of statement made.

By *[Signature]*

Sworn to before me this
day of *September*, 1982.

[Signature]
GEORGE J. BAARDSEN
NOTARY PUBLIC, State of New York
No. 30-61244-38024
Qualified in Nassau County
Commission Expires March 30, 1981 / 3

DECLARATION OF COVENANTS, RESTRICTIONS,
EASEMENTS, CHARGES AND LIENS

DECLARANT - NORTHGATE DEVELOPMENT LTD.

DATE OF DECLARATION -

Wofsey, Certilman, Haft, Lebow & Balin
Attorneys for the Sponsor
71 South Central Avenue
Valley Stream, NY 11580

EXHIBIT A

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DECLARATION OF COVENANTS, RESTRICTIONS,
EASEMENTS, CHARGES AND LIENS

Declaration made as of this day of , 198 ,
by Northgate Development Ltd., a New York corporation with
offices at 4900 Merrick Road, Massapequa Park, New York here-
inafter referred to as "Developer."

W I T N E S S E T H:

WHEREAS, Developer is the owner of the real property described in Article II of this Declaration and shown on the filed subdivision map which Declarant desires to develop as a residential community with various permanent open spaces and other common facilities for the benefit of said Community; and

WHEREAS, Developer desires to provide for the preservation of the values and amenities in said Community and for the maintenance of the open spaces and other common facilities; and, to this end, desires to subject the real property described in Article II to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Developer has deemed it desirable, for the efficient preservation of the values and amenities in said Community to create an agency to which should be delegated and assigned the powers of maintaining and administering the Community property and improvements and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Developer has incorporated Windemere Home Owners Association, Inc. under the not-for-profit corporation laws of the State of New York for the purpose of exercising the aforesaid functions;

NOW THEREFORE, the Developer, for itself, its successors and assigns, declares that the real property described in Article II is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "covenants and restrictions") hereinafter set forth.

ARTICLE I. DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration shall, unless the context otherwise prohibits, have the meanings set forth below:

(a) "Association" shall mean and refer to Windemere Home Owners Association, Inc., a New York Not-for-Profit corporation.

(b) "The Properties" shall mean and refer to all such existing properties as are subject to this Declaration.

(c) "Home" shall mean and refer to all units of residential housing situated upon The Properties.

(d) "Owner" shall mean and refer to the record owner of fee simple title to any Home, including the Developer with respect to any unsold Home. Every Home Owner shall be treated for all purposes as a single owner for each Home held, irrespective of whether such ownership is joint, in common or tenancy by the entirety. Where such ownership is joint, in common or tenancy by the entirety, majority vote of such owners shall be necessary to cast any vote to which such owners are entitled.

(e) "Member" shall mean and refer to each holder of membership interest in the Association, as such interest is set forth in Article III.

(f) "Development" shall mean Windemere, a 34 home development being constructed on The Properties.

(g) "Developer" shall mean and refer to Northgate Development Ltd., a corporation and its successors and assigns, if such successors and assigns should acquire an undeveloped portion of the Properties from the Developer for the purpose of development.

(h) "Common Properties" or "Common Areas" shall mean and refer to certain areas of land other than individual lots as shown on the filed subdivision map and intended to be devoted to the common use and enjoyment of the owners of the Properties.

(i) "Lot" shall mean and refer to any plot of land intended and subdivided for residential uses shown on the subdivision map of the Properties but shall not include the Common Areas as herein defined.

ARTICLE II. PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Properties. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is all that certain plot, piece or parcel of

land situate, lying and being in Woodbury in the Town of Oyster Bay, County of Nassau and State of New York, being more particularly bounded and described in Schedule A annexed hereto.

ARTICLE III. MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

The Association shall have one class of membership interest. The owner of each dwelling unit on The Properties subject to this Declaration shall be a member.

Each member is entitled to one vote for each Home in which they hold a membership interest. When more than one person or entity holds such interest in any Home, the one vote attributable to such Home shall be exercised as such persons mutually determine but with the exception of cumulative voting employed in the election of Directors, not more than one vote may be cast with respect to any such Home. For purposes of this section the word "home" shall have the same meaning as "lot" and therefore if there is no home constructed on a particular lot in the Development, the owner of such lot will still be considered a Member entitled to cast the one vote as set forth above. No member shall split or divide its votes on any motion, resolution or ballot other than in the cumulative voting procedure employed in the election of Directors.

ARTICLE IV. PROPERTY RIGHTS IN THE PROPERTIES

Section 1. Members Easement of Enjoyment. Subject to the provisions of Section 3, every Member shall have a right and easement of enjoyment in and to the Properties and such easement shall be appurtenant to and shall pass with the title to every Home.

Section 2. Title to Common Properties. Prior to conveyance of title to the first Home on the Properties, the Developer shall convey to the Association legal title to the Common Properties subject, however, to the following covenant which shall be deemed to run with the land and shall be binding upon the Association, its successors and assigns:

In order to preserve and enhance the property values and amenities of the Development, the Common Properties and all facilities now or hereafter built or installed thereon, shall at all times be maintained in good repair and condition and shall be operated in accordance with high standards. The maintenance and repair of the Common Properties shall include, but not be limited to, the repair of damage to roadways, landscape maintenance to the Common Areas, maintenance of the recreation facilities, maintenance of the common storm and sanitary disposal systems and maintenance of gate house, signs and fencing.

This section shall not be amended, as provided for in Article X, Section 2, to reduce or eliminate the obligation for maintenance and repair of the Common Properties.

Section 3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association, as provided in its By-Laws to suspend the enjoyment rights of any Member for a period during which any assessment remains unpaid and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations;

(b) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties. This right shall not be exercised for a period of three years from the recording of the Declaration and after this period only by a vote of 66-2/3% of the Members.

(c) The right of the Association to dedicate or transfer all or any part of the Common Properties to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer, determination as to the purposes or as to the conditions thereof, shall be effective unless an instrument signed by Members and their mortgagees entitled to cast eighty (80%) percent of the eligible votes has been recorded agreeing to such dedication, transfer, purpose or condition and unless written notice of the action is sent to every Member at least ninety (90) days in advance of any action taken.

(d) The right of the Developer and of the Association to grant and reserve easements and rights-of-way, in, through, under, over and across the Properties, for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television and other utilities, and the right of the Developer to grant and reserve easements and rights-of-way, in, through, under, over, upon and across the Properties for the completion of the Developer's work under Section 1 of Article V.

ARTICLE V. DEVELOPMENT OF WINDEMERE

Section 1. Windemere. Developer intends to build 34 Homes on approximately 30 acres of land comprising part of the Properties.

Section 2. Easement. Developer does hereby establish and create for the benefit of the Association and for all Owners from time to time of Homes subjected to this Declaration and does hereby give, grant and convey to each of the aforementioned, the following easements, licenses, rights and privileges:

(i) Right-of-way for ingress and egress by vehicles or on foot, in, through, over, under and across the roads and walks in the Properties (as shown on the filed map as they may be built or relocated in the future) for all purposes;

(ii) Rights to connect with, maintain and make use of utility lines, wires, pipes, conduits, cable television lines, sewers and drainage lines which may from time to time be in or along the streets and roads or other areas of the Properties.

Section 3. Reservation of Easements. Developer reserves the easements, licenses, rights and privileges of a right-of-way in, through, over, under and across The Properties, for the purpose of completing its work under Section 1 above and towards this end, reserves the right to grant and reserve easements and rights-of-way in, through, under, over and across the Properties, for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, cable television, gas, electric and other utilities and for any other materials or services necessary for the completion of the work. Developer also reserves the right to connect with and make use of the utility lines, wires, pipes, conduits, cable television, sewers and drainage lines which may from time to time be in or along the streets and roads of other areas of The Properties. Finally, Developer reserves the right to continue to use The Properties and any sales offices, model homes, signs, and parking spaces located on The Properties in its efforts to market homes constructed on the Properties. This paragraph may not be amended without the consent of Developer.

Section 4. Encroachments on Lots. In the event that any portion of any roadway, walkway, parking area, driveway, water lines, sewer or drainage lines, utility lines, building or any other structure as originally constructed by Developer encroaches on any lot or the Common Areas, it shall be deemed that the owner of such lot or the Association has granted a perpetual easement to the owner of the adjoining lot or the Association as the case may be for continuing maintenance and use of such encroaching roadway, walkway, driveway, parking area, water line, sewer or drainage line, utility line, building or structure. The foregoing shall also apply to any replacements of any such roadway, walkway, driveway, parking area, water lines, sewer or drainage lines, utility lines, building or structure if same are constructed in substantial conformance to the original. The foregoing conditions shall be perpetual in duration and shall not be subject to amendment of these covenants and restrictions.

ARTICLE VI. COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation. The Developer, for each Home owned by it within The Properties, hereby covenants and each Owner of any Home by acceptance of a deed therefor, whether or not it shall be expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association such assessments as are fixed by the Association's

Board of Directors and assessed to the Members as hereinafter provided. All sums assessed to the Association but unpaid, together with such interest thereon as is hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property owned by such Member against which each such assessment is made. Each such assessment, together with interest thereon and cost of collection thereof, as hereinafter provided shall be a personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of the Assessment. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in The Properties as a community and in particular for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties and of the Homes situated upon The Properties, including without limiting the foregoing, and payment of taxes (if any) and insurance thereon and repair, replacement and additions thereto, and the cost of labor, equipment, materials, services, management and supervision thereof.

Section 3. Assessments. The Association's Board of Directors shall, from time to time, but at least annually, fix and determine the budget representing the sum or sums necessary and adequate for the continued operation of the Association and shall send a copy of the budget and any supplement to the budget to each Member prior to assessing the Members thereon. The Board shall determine the total amount required, including the operational items such as insurance, repairs, reserves, maintenance and other operating expenses, as well as charges to cover any deficits from prior years and capital improvements approved by the Board. The total annual requirements and any supplemental requirements shall be allocated between, assessed to and paid by the Members as follows:

Each Member shall pay a portion of said requirements the numerator of which shall be one (1) and the denominator of which shall be equal to the number of Homes on the Properties subject to this Declaration (34). The Developer's obligation for such assessments on unsold Homes subject to this Declaration will be limited to the difference between the actual operating costs of the Association, including reserves on the Common Properties and on Homes to which title has been conveyed and the assessments levied on owners who have closed title on their homes. In no event, however, will the Developer be required to make a deficiency contribution in an amount greater than it would otherwise be liable for if it were paying assessments on unsold Homes. The sum due the Association from each individual Home Owner shall constitute an assessment of the Board of Directors and unpaid assessments shall constitute liens on the individual Homes, subject to foreclosure as hereinafter provided.

Section 4. Due Dates; Duties of the Board of Directors.

All Assessments shall be payable monthly in advance as ordered by the Board of Directors. The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Home and shall prepare a roster of the Homes and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Member. Upon the written request of a Member or his mortgagee, the Board shall promptly furnish such Member or his mortgagee with a written statement of the unpaid charges due from such Member.

Section 5. Effect of Non-Payment of Assessment, The Personal Obligation of the Member; The Lien, Remedies of the Association.

If an assessment is not paid on the date when due, as fixed by the Board of Directors, then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Member's Home which shall bind such property in the hands of the Member, his heirs, devisees, personal representatives and assigns. Such lien shall be prior to all other liens except: (a) tax or assessment liens on the Home by the taxing subdivision of any governmental authority, including but not limited to State, County and School District taxing agencies; and (b) all sums unpaid on any first mortgage of record encumbering the Home. The personal obligation of the Member who was the Owner of the Home when the assessment fell due to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the maximum permissible rate in the State of New York and the Association may bring an action at law against the Member or former Member personally obligated to pay the same may foreclose the lien against the property and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorney's fees to be fixed by the court together with the cost of the action.

ARTICLE VII. INSURANCE

The Board of Directors shall maintain public liability insurance, to the extent obtainable, covering each association Member, lessee and occupant and the managing agent, if any, against liability for any negligent act of commission or omission attributable to them which occurs on or in the Common Properties. To the extent obtainable, the Board of Directors shall also be required to obtain workmen's compensation insurance for employees, if any. All insurance premiums for such coverage shall be paid for by the Association.

ARTICLE VIII. USE OF PROPERTY

The use of a Home by a Member or other occupant shall be subject to the rules, regulations and provisions of this Declaration, the By-Laws and Rules and Regulations of the Board of Directors and the following covenants and restrictions:

✓ (a) Each members home and lot shall be maintained in good repair and overall appearance.

(b) Any Member who mortgages or sells his Home shall notify the Board of Directors providing the name and address of his mortgagee or new owner.

(c) The Board of Directors shall, at the request of the mortgagee of the Home, report any delinquent assessments due from the Owner of such Home.

✓ (d) No nuisances shall be allowed upon the property nor shall any use or practice be allowed which is a source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents.

(e) No improper, offensive or unlawful use shall be made of the property nor any part thereof and all valid laws, zoning ordinances, the regulations of all governmental bodies having jurisdiction thereof, shall be observed.

(f) Regulations promulgated by the Board of Directors concerning the use of the property shall be observed by the Members provided, however, that copies of such regulations are furnished to each Member prior to the time the said regulations become effective.

(g) The maintenance assessments shall be paid when due.

(h) No resident of the Community shall post any advertisement or posters of any kind in or on the Properties except as authorized by the Board of Directors. This paragraph shall not apply to Developer.

✓ (i) No fence or gate shall be erected on any portion of a lot which abuts any portion of the Common Area without the prior written consent of the Board of Directors. This paragraph shall not apply to Developer.

(j) No repair of motor vehicles shall be made in any of the roadways, or driveways in the Development nor shall such areas be used for storage parking of any boat,

trailer, camper, bus, truck or commercial vehicle without the written consent of the Board of Directors.

(k) No person shall be permitted to use the recreational facilities of the Association except in accordance with the rules and regulations established by the Association's Board of Directors.

ARTICLE IX. GENERAL PROVISIONS

Section 1. Beneficiaries of Easements, Rights and Privileges.

The easements, licenses, rights and privileges established, created and granted by this Declaration shall be for the benefit of and restricted solely to, the Association and the Owners of Homes constructed on The Properties; and any Owner may also grant the benefit of such easement, license, right or privilege to his tenants and guests and their immediate families for the duration of their tenancies or visits, subject in the case of the Common Properties to the Rules and Regulations of the Board of Directors, but the same is not intended nor shall it be construed as creating any rights in or for the benefit of the general public.

Section 2. Duration and Amendment.

The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable to the Association, any Member, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, until December 31, 2011, unless otherwise expressly limited herein, after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument signed by eighty percent (80%) of the Home Owners has been recorded, agreeing to change said covenants and restrictions in whole or in part. Notwithstanding the foregoing the easements, licenses, rights and privileges established and created with respect to the Properties by Section 2 of Article V shall be perpetual, run with the land and shall survive any destruction, reconstruction and relocation of the physical structures unless said provision is abrogated by the unanimous written consent of all the Home Owners. Unless specifically prohibited herein, this Declaration may be amended by an instrument signed by Members holding not less than sixty-six and two-thirds percent (66-2/3%) of the votes of the membership. Any amendment must be properly recorded to be effective.

Section 3. Disposition of Assets Upon Dissolution of Association.

Upon dissolution of the Association, its real and personal assets, including the Common Properties, shall be dedicated to an appropriate public agency or utility to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by the Association. In the event such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other

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SCHEDULE A

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being at Woodbury in the Town of Oyster Bay, County of Nassau and State of New York, being more particularly bounded and described as follows:

BEGINNING at a point in the Northerly line of Jericho Turnpike which is intersected by the Easterly line of land of Jericho Water District which said point is distant 3445.00 ft., more or less, Westerly from the intersection of the Westerly line of Avery Road and the Northerly line of Jericho Turnpike; RUNNING THENCE along the land of Jericho Water District the following nine courses and distances: (1) North 3 degrees 2 minutes 20 seconds East 57 feet, (2) North 1 degrees 58 minutes 50 seconds East 200.40 feet, (3) North 0 degrees 10 minutes 20 seconds East 298 feet, (4) North 0 degrees 40 minutes 50 seconds West 50.11 feet, (5) North 89 degrees 19 minutes 10 seconds East 126.42 feet, (6) North 44 degrees 19 minutes 10 seconds East 82.84 feet, (7) North 0 degrees 40 minutes 50 seconds West 482.84 feet, (8) North 45 degrees 40 minutes 50 seconds West 82.84 feet, (9) South 89 degrees 19 minutes 10 seconds West 141.42 feet to the land now or formerly of Pegua, THENCE along said last mentioned land the following two courses and distance: (1) North 0 degrees 40 minutes 50 seconds West 58.88 feet, (2) North 1 degree 52 minutes 50 seconds East 102.88 feet to the land now or formerly of Choice Holding Corporation, THENCE along said last mentioned land the following seven courses and distances: (1) North 89 degrees 37 minutes 23 seconds East 345.83 feet, (2) THENCE Southerly along the arc of a curve bearing to the left having a radius of 285 feet and a chord that bears South 24 degrees 0 minutes 2 seconds East and a length of 75.34 feet a distance of 75.57 feet, (3) THENCE Southeasterly along the arc of a curve bearing to the left having a radius of 180 feet and a chord that bears South 66 degrees 35 minutes 47 seconds East and a length of 206.49 feet a distance of 219.91 feet, (4) THENCE North 78 degrees 24 minutes 13 seconds East 468 feet, (5) THENCE Southeasterly along the arc of a curve bearing to the right having a radius of 165 feet and a chord that bears South 67 degrees 6 minutes 45.5 seconds East and a length of 186.84 feet a distance of 198.61 feet, (6) THENCE North 57 degrees 22 minutes 16 seconds East 50 feet, (7) THENCE North 89 degrees 31 minutes 33 seconds East 371.24 feet to land now or formerly of Doughty, THENCE South 0 degrees 51 minutes 0 seconds East along said last mentioned land 992.04 feet to the Northerly line of Jericho Turnpike, THENCE the following three courses and distances along the Northerly line of Jericho Turnpike: (1) South 79 degrees 59 minutes 30 seconds West 397.96 feet, (2) South 80 degrees 7 minutes 30 seconds West 897.01 feet, (3) South 79 degrees 27 minutes 30 seconds West 346.13 feet to the point or

place of beginning; containing 39.791 acres more or less. Subject, however, to a 15 foot right of way over the Northerly corner of the aforescribed property, which right of way is fully set forth in a deed made between Joseph J. Dowing, party of the first part, and Jericho Water District, as part of the second part; dated December 18th, 1957 and recorded in the Nassau County Clerk's Office in Liber 6436 of deeds at Page 408.

CERTIFICATE OF INCORPORATION

OF

WINDEMERE
HOME OWNERS ASSOCIATION, INC.

(Under Section 402 of the Not-for-Profit Corporation Law)

IRA J. ADLER, being of the age of nineteen years or over, for the purpose of forming a corporation pursuant to Section 402 of the Not-for-Profit Corporation Law of New York, does hereby certify:

FIRST: The name of the corporation is WINDEMERE HOME OWNERS ASSOCIATION, INC. (the "Corporation").

SECOND: That the Corporation is a corporation as defined in subparagraph (a) (5) of Section 102 of the Not-for-Profit Corporation Law.

THIRD: The purpose or purposes for which the Corporation is formed are as follows:

A. To promote the health, safety and welfare of the residents of a residential community proposed to be developed by Northgate Development Ltd., a corporation, on lands situated at Jericho Turnpike, Woodbury, Town of Oyster Bay, County of Nassau, State of New York; and for this purpose:

(1) To own, acquire, build, operate and maintain land and facilities for community use, including roads, recreational facilities and personal property incidental thereto, hereinafter referred to as the "Common Properties"; and

(2) To enforce any and all covenants, restrictions and agreements applicable to the residential parcels within the above described residential community and the Common Properties, hereinafter collectively referred to as "the Properties", (the enforcement of which is not specifically and exclusively reserved to others), and particularly the Declaration of Covenants, Restrictions, Easements, charges and liens (hereinafter referred to as the "Declaration") which may hereafter be made by Northgate Development Ltd. and recorded among the land records of Nassau County, New York.

B. To make and perform any contracts and do any acts and things, and exercise any powers suitable, convenient, proper or incidental for the accomplishment of any objectives enumerated herein and in the Declaration and By-Laws of the Corporation, but not for the pecuniary profit or financial gain of its members, directors or officers except as permitted under Article 5 of the Not-for-Profit Corporation Law.

C. The Corporation, in furtherance of its corporate purposes above set forth, shall have the powers enumerated in Section 202 of the Not-for-Profit Corporation Law, subject to any limitations provided in the Not-for-Profit Corporation law or any other statute of the State of New York.

FOURTH: The Corporation shall be a Type A Corporation pursuant to Section 201 of the Not-for-Profit Corporation Law.

FIFTH: The Corporation shall have the power to dispose of its real properties only as authorized under the Declaration applicable to said properties.

SIXTH: This Certificate may be amended pursuant to the provisions of the Not-for-Profit Corporation Law.

SEVENTH: The office of the Corporation will be located at Jericho Turnpike, Woodbury, Town of Oyster Bay, County of Nassau, State of New York.

EIGHTH: The territory in which the operations of the Corporation will be principally conducted is Woodbury in the Town of Oyster Bay, County of Nassau, State of New York.

NINTH: The Secretary of State is hereby designated as the agent of this corporation upon whom process against this corporation may be served. The post office address to which the Secretary of State shall mail a copy of any process against this corporation served upon him as agent of this corporation is: Jericho Turnpike, Woodbury, New York.

TENTH: The name and address of the registered agent which is to be the agent of the Corporation upon whom process against it may be served is Neal Kaplan, 4900 Merrick Road, Suite 201, Massapequa Park, New York 11762.

ELEVENTH: That no approvals or consents are required to be attached to this Certificate of Incorporation.

IN WITNESS WHEREOF, I have made and signed this Certificate this day of , 198 and I affirm the statements contained herein as true under penalties of perjury.

IRA J. ADLER

71 South Central Avenue
Valley Stream, NY 11580

STATE OF NEW YORK)
) ss.:
COUNTY OF NASSAU)

On this day of , 198 , before me personally came IRA J. ADLER, to me known and known to me to be the individual described in and who executed the foregoing instrument, and he duly acknowledged that he had executed the same.

Notary Public

BY-LAWS
' OF
WINDEMERE
HOME OWNERS ASSOCIATION, INC.

Wofsey, Certilman, Haft, Lebow & Balin
Attorneys for the Sponsor
71 South Central Avenue
Valley Stream, NY 11580

EXHIBIT C

BY-LAWS
OF
WINDEMERE
HOME OWNERS ASSOCIATION, INC.

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BY-LAWS
OF
WINDEMERE
HOME OWNERS ASSOCIATION, INC.
A New York Not-for-Profit Corporation

ARTICLE I. NAME, LOCATION AND PRINCIPAL OFFICE

These are the By-Laws of Windemere Home Owners Association, Inc. hereinafter referred to as the "Association". The principal office of the Association shall be located at Jericho Turnpike, Woodbury, Town of Oyster Bay, County of Nassau and State of New York.

ARTICLE II. DEFINITIONS

The following word when used in these By-Laws shall, unless the context otherwise prohibits, have the meanings set forth below:

- (a) "Association" shall mean and refer to Windemere Home Owners Association, Inc., a New York Not-for-Profit Corporation.
- (b) "Developer" shall mean and refer to Northgate Development Ltd., a New York corporation and its successors and assigns if such successors and assigns should acquire an undeveloped portion of The Properties from the Developer for the purpose of development.
- (c) "Declaration" shall mean and refer to the Declaration of Covenants, Restrictions, Easements, Charges and Liens applicable to The Properties recorded among the land records in the Clerk of the County of Nassau, New York.
- (d) "The Properties" shall mean and refer to all those areas of land described in and subject to the Declaration.
- (e) "Lot" shall mean and refer to any plot of land intended and subdivided for residential uses shown on the subdivision map of the Properties but shall not include the Common Areas as herein defined.
- (f) "Member" shall mean and refer to each holder of a membership interest in the Association, as such interest is set forth in Article VI.
- (g) "Home" shall mean and refer to all units of residential housing situated upon lots located on The Properties.

(h) "Owner" shall mean and refer to the record owner of fee simple title to any Home, including the Developer with respect to an unsold Home. Every Home Owner shall be treated for all purposes as a single owner for each Home held, irrespective of whether such ownership is joint, in common or tenancy by the entirety. Where such ownership is joint, in common or tenancy by the entirety, majority vote of such owners shall be necessary to cast any vote to which such owners are entitled.

(i) "Common Properties" or "Common Areas" shall mean and refer to certain areas of land other than individual Lots as shown on the filed subdivision map and intended to be devoted to the common use and enjoyment of the owners of the Properties.

(j) "Development" shall mean Windemere, a 34 home development being constructed on The Properties.

ARTICLE III. PURPOSE

This Association is formed to own, operate and maintain the Common Properties for the benefit of the members of the Association.

ARTICLE IV. APPLICABILITY

All present and future Members shall be subject to these By-Laws and to the rules and regulations issued by the Association to govern the conduct of its Members.

ARTICLE V. USE OF FACILITIES

The Common Properties shall be limited to the use of the Members and their guests. In the event that a Member shall lease or permit another to occupy his Home, however, the lessee or occupant shall at the option of the Member, be permitted to enjoy the use of the Common Properties in lieu of and subject to the same restrictions and limitations as said Member. Any Member, lessee or occupant entitled to the use of the Association facilities may extend such privileges to members of his family residing in his household by notifying the Secretary in writing of the names of any such persons and of the relationship of such Member lessee or occupant to such persons.

ARTICLE VI. MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership: The Association shall have one class of membership interest as follows:

The Owner of each Home (or "lot" in the event no home is

constructed on such lot) on The Properties shall be a member whether such ownership is joint, in common or tenancy by the entirety. Each member is entitled to one vote for each Home in which they hold a membership interest. When more than one person or entity holds such interest in any Home, the one vote attributable to such Home shall be exercised as such persons mutually determine but with the exception of cumulative voting employed in the election of Directors, not more than one vote may be cast with respect to any such Home. No member shall split or divide its votes on any motion, resolution or ballot other than in the cumulative voting procedure employed in the election of Directors.

ARTICLE VII. QUORUM, PROXIES AND WAIVERS

Section 1. Quorum. So many Members as shall represent at least 51% of the total authorized votes of all Members present in person or represented by written proxy shall be requisite to and shall constitute a quorum at all meetings of the Association for the transaction of business, except as otherwise provided by Statute, by the Declaration, the Certificate of Incorporation of the Association or by these By-Laws. If, however, such quorum shall not be present or represented at any meeting of the Association, the Members entitled to vote thereat, present in person or represented by written proxy, shall have the power to adjourn the meeting. At least 5 days written notice of such adjourned meeting shall be given to all Members. At such adjourned meeting any business may be transacted which might have been transacted at the meeting originally called. At such adjourned meeting, so many members as shall represent at least 33-1/3 of the total authorized votes of all members shall constitute a quorum.

Section 2. Vote Required to Transact Business. When a quorum is present at any meeting, the vote of a majority of the Members present in person or represented by written proxy (provided such proxy authorizes casting of vote on a specifically enumerated motion) shall decide any question brought before such meeting and such vote shall be binding upon all Members, unless the question is one upon which by express provision of the Statute, Declaration, Certificate of Incorporation or of these By-Laws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

Section 3. Right to Vote. Members shall be entitled to vote either in person or by proxy at any meeting of the Association. Any such proxy shall only be valid for such meeting or subsequent adjourned meetings thereof.

Section 4. Proxies. All proxies shall be in writing and shall be filed with the Secretary prior to the meeting which

the same are to be used. A notation of such proxies shall be made in the minutes of the meeting.

Section 5. Waiver and Consent. Wherever the vote of the membership at a meeting is required or permitted by Statute or by any provision of the Declaration, Certificate of Incorporation or of these By-Laws to be taken in connection with any action of the Association, the meeting and vote of the membership may be dispensed with if all Members who would have been entitled to vote upon the action if such meeting were held, shall consent in writing to such action being taken.

Section 6. Place of Meeting. Meetings shall be held at any suitable place convenient to the Members as may be designated by the Board of Directors and designated in the notices of such meetings.

Section 7. Annual Meetings. The annual meeting of the membership of the Association shall be held on such date as is fixed by the Board of Directors. At such meetings there shall be elected by ballot of the membership a Board of Directors in accordance with the requirements of Article VIII of these By-Laws. The Members may also transact such other business as may properly come before the meeting.

Section 8. Special Meetings. It shall be the duty of the President to call a special meeting of the Association, if so directed by the Board of Directors, or upon the presentation to the Secretary of a petition signed by a majority of the Members.

Section 9. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Member at least ten but not more than thirty days prior to such meeting. The mailing of a notice in the manner provided in these By-Laws shall be considered notice served.

Section 10. Order of Business. The order of business at all meetings shall be as follows:

- (a) Roll call
- (b) Proof of notice of meeting or waiver of notice
- (c) Reading of minutes of preceding meeting
- (d) Report of officers
- (e) Report of committees
- (f) Appointment of inspectors of election
(in the event there is an election)
- (g) Election of Directors (in the event
there is an election)

- (h) Unfinished business
- (i) New business

ARTICLE VII. BOARD OF DIRECTORS

Section 1. Number and term. The number of Directors which shall constitute the whole Board shall not be less than three, and not more than five. An initial Board consisting of three Directors shall be designated by the Developer to serve until the first annual meeting of the Association. At the first annual meeting and at all subsequent annual meetings the Members shall vote for and elect five Directors to serve for one year terms and until their successors have been duly elected and qualified. All directors, other than those the Developer shall have the right to designate, must be Members of the Association. As required by law, each Director shall be at least nineteen years of age.

Section 2. Cumulative Voting and Right of Developer to Designate Certain Board Members. In an election of Directors, each Member shall be entitled to as many votes as shall equal the number of Directors to be elected and a Member may cast all of such votes for a single Director or may distribute them among two or more Directors as he sees fit.

Notwithstanding the foregoing, the Developer shall have the right to designate three Directors until the second anniversary date of the recording of the Declaration or until 51% of the Homes are sold, whichever occurs first. Thereafter, the Developer shall have the right to designate one Director for so long as it holds at least one membership. When Developer no longer holds any membership interests it may not designate any Directors. Developer may not cast its votes to elect any Directors in addition to the designated Directors set forth above.

Section 3. Vacancy and Replacement. If the office of any Director becomes vacant by reasons of death, resignation, retirement, disqualification, removal from office or otherwise, a majority of the remaining Directors though less than a quorum, at a special meeting of Directors duly called for this purpose, shall choose a successor, who shall hold office for the unexpired term in respect of which such vacancy occurred and until his successor is duly elected and qualified. In the event a Director appointed by Developer resigns, the Developer shall have the right to appoint another Director in his place.

Section 4. Removal. Directors, except those designated by Developer, may be removed for cause by an affirmative vote of a majority of the Members. No Director may be removed for cause, however, if the votes cast against his removal would be sufficient

to elect him cumulatively at an election at which the same total number of votes were cast and the entire Board were then being elected. No Director, other than a designee of the Sponsor, shall continue to serve on the Board if, during his term of office, he shall cease to be a Member.

Section 5. Powers.

(a) The property and business of the Association shall be managed by its Board of Directors, which may exercise all such powers of the Association and do all such lawful acts and things as are not by Statute, Declaration, Certificate of Incorporation or by these By-Laws, directed or required to be exercised or done by the Members or Owners personally. These powers shall specifically include, but not be limited to the following items:

1. To determine and levy monthly assessments ("Association assessments") to cover the cost of operating and maintaining the Properties payable in advance. The Board of Directors may increase the monthly assessments or vote a special assessment in excess of that amount, if required, to meet any additional necessary expenses.
2. To collect, use and expend the assessments collected to maintain, care for and preserve the roads, walks, recreation facilities, lake, parking areas, landscaping, and any other repairs and replacements to the Common Area as may be required.
3. To make repairs, restore or alter the Common Properties after damage or destruction by fire or other casualty or as a result of condemnation or eminent domain proceedings.
4. To open bank accounts and borrow money on behalf of the Association and to designate the signatories to such bank accounts.
5. To collect delinquent assessments by suit or otherwise, to abate nuisances and to enjoin or seek damages from Members for violations of the house rules or rules and regulations herein referred to.
6. To make reasonable rules and regulations and to amend the same from time to time. Such rules and regulations and amendments thereto shall be binding upon the Members when the Board has approved them in writing and delivered a copy of such rules and all amendments to each Member. Such rules and regulations may without limiting the foregoing include reasonable limitations on the use of the Common

Properties by guests of the Members as well as reasonable admission and other fees for such use.

7. To employ workmen, contractors and supervisory personnel, and to purchase supplies and equipment, to enter into contracts to provide maintenance and other services and generally to have the power of Directors in connection with the matters hereinabove set forth.

8. To bring and defend actions by or against one or more Members and pertinent to the operation of the Association and to assess special assessments to pay the cost of such litigation and to bring and defend actions against non-members with the consent of a majority of the members.

9. To hire a Managing Agent to perform and exercise the powers of the Board of Directors in the management of the Development.

(b) The Board of Directors may, by resolution or resolutions, passed by a majority of the whole Board, designate one or more committees, each of such committees to consist of at least three (3) Directors or Members, one of whom shall be a Director, which, to the extent provided in said resolution or resolutions, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Association and may have power to sign all papers which may be required, provided the said resolution or resolutions shall specifically so provide. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Committees established by resolution of the Board of Directors shall keep regular minutes of their proceedings and shall report the same to the Board as required.

(c) Notwithstanding anything to the contrary contained in these By-Laws, so long as the Developer or its designee shall continue to own membership interests representing at least 25% of the total membership or more, but in no event later than 3 years from the closing of title to the first home the Board of Directors may not, without the Developer's prior written consent, (i) make any addition, alteration or improvement to the common area, or (ii) assess any Association charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund or, (iii) hire any employee in addition to the employees referred to in the Offering Plan of Windemere or, (iv) enter into any service or maintenance contract for work not covered by contracts in existence on the date the said Plan is declared effective or, (v) borrow money on behalf of the Association or, (vi) increase or decrease the services or maintenance set forth in Schedule A of the Windemere Offering Plan or, (vii) purchase any materials, equipment or other goods costing in total in excess of \$5,000.00.

Section 6. Compensation. Directors and officers, as such, shall receive no compensation for their services.

Section 7. Meetings.

(a) The first meeting of each Board newly elected by the Members shall be held immediately upon adjournment of the meeting at which they were elected, provided a quorum shall then be present, or as soon thereafter as may be practicable. The annual meeting of the Board of Directors shall be held at the same place as the annual meeting of Association Members and immediately after the adjournment of same, at which time the dates, places and times of regularly scheduled meetings of the Board shall be set.

(b) Regularly scheduled meetings of the Board may be held without special notice.

(c) Special meetings of the Board may be called by the President on two (2) days notice to each Director either personally or by mail or telegram. Special meetings shall be called by the President or Secretary in a like manner and on like notice on the written request of at least two (2) Directors.

(d) At all meetings of the Board, a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and an act of a two-thirds majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by Statute or by the Declaration or by these By-Laws. If a quorum shall not be present at any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present.

(e) Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 8. Annual Statement. The Board of Directors shall furnish to all Members and shall present annually (at the annual meeting) and when called for by a vote of the Members at any special meeting of the Members, a full and clear statement of the business conditions and affairs of the Association, including a balance sheet and profit and loss statement verified by an independent public accountant and a

statement regarding any taxable income attributable to the Members and a notice of the holding of the annual meeting of Association members.

Section 9. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be an expense of the Association.

ARTICLE IX. OFFICERS

Section 1. Elective Officers. The officers of the Association shall be chosen by the Board of Directors and shall be a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may also choose one or more Assistant Secretaries and Assistant Treasurers and such other officers as in their judgment may be necessary. All officers must be members of the Board of Directors or Members of the Association. Two or more offices may not be held by the same person.

Section 2. Election. The Board of Directors, at its first meeting after each annual meeting of Association Members, shall elect a President, a Vice President, a Secretary and a Treasurer. Only the President must be a member of the Board.

Section 3. Appointive Officers. The Board may appoint such other officers and agents as it shall deem necessary who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

Section 4. Term. The officers shall hold office for a period of one year or until their successors are chosen and qualify in their stead. Any officer elected or appointed by the Board of Directors may be removed with or without cause, at any time, by the affirmative vote of a majority of the whole Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 5. The President. The President shall be the chief executive officer of the Association; he shall preside at all meetings of the Association Members and the Board of Directors, shall be an ex-officio member of all standing committees, shall have general and active management of the business of the Association, shall see that all orders and resolutions of the Board are carried into effect and shall have such other powers and duties as are usually vested in

the office of President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 6. The Vice President. The Vice President shall take the place of the President and perform his duties whenever the resident shall be absent or unable to act and shall have such other powers and duties as are usually vested in the office of Vice President of a corporation organized under the Not-for-Profit Corporation Law of the State of New York.

Section 7. The Secretary. The Secretary and/or Assistant Secretary shall attend all sessions of the Board and all meetings of Association Members and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of Association Members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or by the President, under whose supervision he shall be.

Section 8. The Treasurer. The Treasurer shall have the custody of the Association funds and securities and shall keep full and accurate chronological accounts of receipts and disbursements in books belonging to the Association including the vouchers for such disbursements, and shall deposit all monies, and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. These duties may also be exercised by the Managing Agent, if any. However, such Management Agent shall not replace the Treasurer.

He shall disburse the funds of the Association as he may be ordered by the Board, making proper vouchers for such disbursements and shall render to the President and Directors, at the regular meeting of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Association.

He shall keep detailed financial records and books of account of the Association, including a separate account for each Member, which among other things, shall contain the amount of each assessment, the date when due, the amount paid thereon and the balance remaining unpaid.

Section 9. Agreements, etc. All agreements and other instruments shall be executed by the President or such other person as may be designated by the Board of Directors.

ARTICLE X. NOTICES.

Section 1. Definitions. Whenever under the provisions of the Declaration or of these By-Laws, notice is required to be given to the Board of Directors or to any Director or Association Member, it shall not be construed to mean personal notice; but such notice may be given in writing, by mail, by depositing the same in a post office or letter box in a postpaid sealed wrapper, addressed to the Board of Directors, such Director or Member at such address as appears on the books of the Association.

Section 2. Service of Notice - Waiver. Whenever any notice is required to be given under the provisions of the Declaration, or of these By-Laws, a waiver thereof, in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

ARTICLE XI. ASSESSMENTS AND FINANCES

Section 1. Creation of the Lien and Personal Obligation of Assesments. The creation of the lien and personal obligation of assessments is governed by Section 1 of Article VI of the Declaration.

Section 2. Purpose of Assessments. The purpose of assessments is as specified in Section 2 of Article VI of the Declaration.

Section 3. Basis of Assessments. The basis of the assessments is as specified in Section 3 of Article VI of the Declaration.

Section 4. Date of Commencement of Assessments; Due Dates. The date of commencement and the due dates of assessments are as specified in Section 4 of Article VI of the Declaration.

Section 5. Effect of Non-Payment of Assessment: Remedies of the Association. The effect of non-payment of assessments and the remedies of the Association shall be as specified in Section 5 of Article VI of the Declaration.

Section 6. Subordination of Lien to Mortgages. The lien of the assessments provided for herein shall be subordinated pursuant to the provisions of Section 5 of Article VI of the Declaration.

Section 7. Checks. All checks or demands for money and notes of the Association shall be signed by the President and Treasurer, or by such other officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 8. Operating Account. There shall be established and maintained a cash deposit account to be known as the "Operating Account" into which shall be deposited the operating portion of all monthly and special assessments as fixed and determined for all members. Disbursements from said account shall be for the general needs of the operation including, but not limited to, wages, repairs, betterments, maintenance and other operating expenses of the community.

Section 9. Other Accounts. The Board shall maintain any other accounts it shall deem necessary to carry out its purposes.

ARTICLE XII. AMENDMENTS

These By-Laws may be altered, amended or added to at any duly called meeting of Association Members provided: (1) that the notice of the meeting shall contain a full statement of the proposed amendment and (2) that the amendment shall be approved by vote of sixty six and two thirds percent ($66 \frac{2}{3}\%$) of the Members. No amendment, however, shall affect or impair the validity or priority of the Members' interests and the interests of holders of a mortgage encumbering a Member's Home. Nor shall any amendment have the effect of infringing upon the Developer's right to build and make membership in or use of the Association available to purchasers or lessees of no more than 34 Homes on the Properties.

ARTICLE XIII. SELLING, LEASING AND GIFTS OF HOMES

Section 1. Selling and Leasing Homes. Any Home may be conveyed or leased by a Member free of any restrictions except that no Member shall convey, mortgage, pledge, hypothecate, sell or lease his Home unless and until all unpaid Association expenses assessed against the Home shall have been paid as directed by the Board of Directors. Such unpaid Association expenses, however, may be paid out of the proceeds from the sale of a Home, or by the Grantee. Any sale or lease of a Home or unit in violation of this section shall be voidable at the election of the Board of Directors. Upon the written request of a Member or his mortgagee, the Board or its designee shall furnish a written statement of the unpaid charges due from such Member which shall be conclusive evidence of the payment of amounts assessed prior to the date of the statement but unlisted thereon. A reasonable charge may be made by the Board for the issuance of such statements.

The provisions of this section shall not apply to the acquisition of a home by a mortgagee who shall acquire title to such Home by foreclosure or by deed in lieu of foreclosure. In such event the unpaid assessments against the home which were assessed and became due prior to the acquisition of title to such home by such mortgagee shall be deemed waived by the

Association and shall be charged to all other members of the Association as a common expense. Such provisions shall, however, apply to any assessments which are assessed and become due after the acquisition of title to such home by the mortgagee and to any purchaser from such mortgage.

Whenever the term "Home" is referred to in this Section, it shall include the Home, the Member's interest in the Association and the Member's interest in any Homes acquired by the Association.

Section 2. Gifts, etc. Any Member may convey or transfer his Home by gift during his lifetime or devise his Home by will or pass the same by intestacy without restriction.

ARTICLE XIV. GENERAL PROVISIONS

Section 1. Fiscal Year. The fiscal year of the Association shall be fixed by resolution of the Board of Directors.

Section 2. Seal. The Association seal shall have inscribed thereon the name of the Association and the year of its incorporation under the laws of the State of New York. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

Section 3. Examination of Books and Records. Each Member, or their respective representatives and first mortgagees, shall be entitled to a reasonable examination of the books and records of the Association at any time upon reasonable notice to its Board of Directors. The Declaration, Certification of Incorporation and the By-Laws of the Association shall be available for inspection by any Member or first mortgagee at the principal office of the Association.

Section 4. Construction. Whenever the masculine singular form of the pronoun is used in these By-Laws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, whenever the context so required.

In the case of any conflict between the Certificate of Incorporation and these By-Laws, the Certificate shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

Section 5. Severability. Should any of the covenants, terms or provisions herein imposed be or become unenforceable at law or in equity, the remaining provisions of these By-Laws shall, nevertheless, be and remain in full force and effect.

PURCHASE AGREEMENT

Agreement made and dated 198 , between Northgate Development Ltd., a New York corporation having its offices at 4900 Merrick Road, Massapequa Park, New York hereinafter called the "Seller" and

residing at No. hereinafter called the "Purchaser".

WHEREAS, the Seller desires to offer for sale Homes to be situated on the land owned by it located in Woodbury in the Town of Oyster Bay, New York, together with mandatory memberships in Windemere Home Owners Association, Inc., hereinafter called the "Association", and the Purchaser is desirous of purchasing a Home therein and obtaining membership in the Association.

NOW, THEREFORE, in consideration of the mutual promises and undertakings hereinafter set forth, the parties hereto mutually agree as follows:

1. Sale of Home. Seller agrees to sell and convey, and Purchaser agrees to purchase: All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected or to be erected, situate, lying and being in Woodbury, Town of Oyster Bay, County of Nassau and State of New York, known as Lot No. on Map entitled, "Windemere" filed in the Office of the Clerk of Nassau County on as File No. , Abs. No. . The one family detached dwelling referred to shall conform substantially in appearance to Model Type on exhibit by Seller or as per plans agreed to by Seller and Purchaser.

2. Home Owners Association. The Seller has exhibited and delivered to the Purchaser and Purchaser has read and agrees to be bound by the proposed Declaration of Covenants, Restrictions, Easements, Charges and Liens, By-Laws and Offering Plan of the Association (and the Exhibits attached thereto), as the same may from time to time be amended, all of which are incorporated by reference and made a part of this agreement with the same force and effect as if set forth in full herein. With the purchase of his Home, the Purchaser acknowledges that he will automatically thereby become a member of the Association, subject to its rules and regulations and liable for its assessments. Pursuant to Regulation, this Agreement is being executed more than 72 hours after the receipt by the Purchaser of a copy of the Offering Plan. In the event the Offering Plan is declared effective or is abandoned, same will be disclosed by a duly filed amendment to the Plan and a copy of such amendment will be delivered to Purchaser.

3-A. Purchase Price. The purchase price is \$ payable as follows:

(i) \$, Total Price;

EXHIBIT D

- (ii) \$, previously received as a non-binding reservation deposit (where applicable);
- (iii) \$, on the signing of this agreement, the receipt whereof is hereby acknowledged;
- (iv) \$, certified or bank cashier's check on closing of title;
- (v) \$, Loan in that amount, to be procured by the Purchasers from a financial institution selected by Purchasers which shall include interest at the prevailing rate of interest charged by such financial institution, the proceeds of which shall be turned over to the Seller.

Any payment made by check is accepted by Seller subject to collection.

See Addendum A annexed hereto for list of included and excluded items in each individual home.

3-B. Optional Extras. The purchase price includes the following alternates and extras:

- (i)
- (ii)
- (iii)
- (iv)
- (v)

Title to all items of personal property shall be delivered free and clear of all liens and encumbrances, except the lien of the mortgage applied for by Purchasers herein, if any.

3-C. Closing Costs and Adjustments. The Purchaser further agrees to pay to the Seller at the closing of title: the applicable New York State transfer tax (historically this item is customarily paid by Seller), survey fees and the actual fee for recording the deed to the Home, as well as the applicable New York State sales tax on any items of personal property. In the event the Purchaser shall obtain a purchase money mortgage, he shall also pay all applicable fees connected therewith such as origination fees, fees for credit reports, the actual cost of appraisal and inspection fee, mortgage tax, mortgage title insurance, bank attorneys fees for preparation of the documents necessary for the mortgage loan, all recording fees and all

other governmental charges assessed on the loan. All applicable real estate taxes and other usual and normal closing charges and any Association Assessments assessed during the month that title closes or established as a reserve, shall be adjusted as of the closing date based upon the last bill rendered for such taxes or charges. The purchaser shall pay the fee of his own attorney and the premium for a fee title insurance policy, if he desires such coverage. In addition thereto, the Purchaser agrees to pay at the closing to the Association the monthly Association charges in advance and \$250.00 to be used as initial working capital. Purchaser shall make the required deposits with the lending institution for future payments of taxes and insurance premiums, and, if collected by the lending institution, for Association Assessments.

4. Deed and Subject To. The closing deed shall be a Bargain and Sale Deed with Covenants Against Grantor's Acts, shall be duly executed and acknowledged by the Seller, so as to convey to the Purchaser fee simple title to the said premises, free and clear of all liens and encumbrances, except as herein stated, and shall also contain the covenant required by subdivision 5 of Section 13 of the Lien Law. The Purchaser shall accept a marketable title such as Seller's title company or any other reputable title company will insure and the Purchaser shall pay the applicable New York State transfer tax. Title to the premises is sold and shall be conveyed subject to: (a) Ordinances and regulations of competent municipal or other governmental authorities; (b) Easements for screening and planting and for sewer, water, gas, fuel line, drainage, scenic purposes, electricity, telephone and other similar utilities, if any, granted or to be granted; (c) The Declaration of Covenants, Restrictions, Easements, Charges and Liens referred to in Paragraph 2 of this Agreement which the Seller will or has recorded in the Nassau County Clerk's Office; (d) Unpaid taxes and liens, provided the title company shall insure against collection of same from the premises; (e) Covenants and restrictions of record, if any, providing same does not prohibit use of premises as a one family dwelling; (f) State of facts an accurate survey would show provided title is not rendered unmarketable; (g) Rights-of-way in favor of Jericho Water District in Liber 6436 cp 408.

5. Delivery of Deed, Incomplete Home at Time of Closing. The closing of title shall take place at the office to be designated by the Seller or by the lending institution at _____ o'clock on or about _____, 198, or at another date and time designated by the Seller upon fifteen (15) days written notice mailed to the Purchasers at their address hereinabove set forth. The Seller shall be entitled to a reasonable adjournment in the closing of title as set forth in paragraph 19 of this Agreement in the event of delay by reason of weather conditions, strikes or material shortages, or delays in inspections and reports thereon, or other requirements. In the event the dwelling or its environs are not completed on the date set by Seller for closing of title, same shall not constitute an objection to closing title, provided lending institution shall issue an inspection report and Seller shall, either by appropriate escrow arrangement or by letter-agreement to survive title closing,

agree to complete any open items within sixty (60) days after closing weather and circumstances permitting.

6. Purchasers Obligations Respecting Mortgage Loan. The conventional mortgage loan applied for by the Purchaser herein, if any, shall be secured by a first mortgage on the Home herein described which shall be self liquidating and payable in monthly installments of principal and interest, together with such installments of taxes, water, sewer, insurance and Association Assessments as the lending institution shall require. The Purchaser does hereby agree to furnish, deliver and/or execute all other instruments in connection with the Purchaser's application for such loan, to furnish all information required by the lending institution and to render within 10 days a truthful and accurate statement of them, and if the application is approved, to execute at title closing all papers, statements or instruments which may be necessary to consummate the mortgage loan transaction (and if this agreement is executed by one spouse only on behalf of Purchasers such spouse agrees that the other spouse will join in the application for and consummation of the mortgage loan). Failure to comply will be deemed a material breach of this agreement. If, after compliance with the foregoing by the Purchaser, he is not approved by the lending institution selected by Purchaser within 60 days then this agreement shall be deemed cancelled and the monies paid hereunder by the Purchaser shall be refunded to the Purchaser and the parties hereto shall be released from any liability hereunder except that the Seller reserves the right but not the obligation to designate another lending institution or to grant the mortgage loan itself on the same terms and conditions. If such other lending institution or Seller does not approve the Purchaser within an additional 45 days, then this agreement will be deemed cancelled and all monies paid by Purchaser will be refunded with interest, if any. The instruments furnished by the Purchaser are hereby made part of this Agreement.

7. Breach of Purchase Agreement by Purchaser. Should Purchaser violate, repudiate, or fail to perform any of the terms of this agreement, which default remains uncured for 30 days after written notice of such default from Seller, Seller may, at its option, retain all or any part of the monies paid on account hereunder including the price of any custom work ordered, as liquidated damages, in which event the parties shall be discharged of all further liability hereunder. The provisions shall apply whether or not construction has commenced and regardless of any sale of the property subsequent to Purchaser's default. If such default results in a delay in the closing of title from the date and time fixed pursuant to this Purchase Agreement, the Purchaser will only be permitted to cure the default and close within such 30 day period on condition that all adjustments shall be made as of the date originally fixed for the closing of title. In addition, Purchaser shall reimburse Sponsor for all mortgage or other interest charges incurred by Seller from the date originally fixed for the closing of title.

8. Subordination of Purchase Agreement to Building Loan Mortgage. The Purchaser agrees that all terms and provisions of this Agreement are and shall be subject and subordinate to the

lien of any building loan mortgage heretofore or hereafter made and any advances heretofore or hereafter made thereon, and any payments or expenses already made or incurred or which may hereafter be made or incurred, pursuant to the terms thereof, to the full extent thereof without the execution of any further legal documents by the Purchaser. This subordination shall apply whether such advances are voluntary or involuntary and whether made in accordance with the building loan schedule or payments or accelerated thereunder by virtue of the lender's right to make advances before they become due in accordance with the schedule of payments. The Seller shall satisfy all such mortgages or obtain a release of the Home from the lien of such mortgage at or prior to the closing date, except for the individual mortgage covering the mortgage loan taken out by the Purchaser, if any, whether same be by extension, assumption, consolidation or otherwise.

9. Risk of Loss. The risk of loss or damage to the Home by fire or any other cause until the delivery of the deed is assumed by the Seller.

10. Lack of Labor/Materials; Seller's Right to Cancel. The parties hereto do hereby agree that the Seller may cancel this agreement by forwarding its check in the full amount paid by the Purchaser, together with a notice in writing, addressed to the Purchaser at their address hereinabove set forth in the event of the occurrence of either of the following: (1) that any governmental bureau, department or sub-division thereto shall impose restrictions on the manufacture, sale, distribution and/or use of materials from its regular suppliers or from using same in the construction and/or completion of the Home; or (2) that the Seller is unable to obtain materials from its usual sources due to strikes, lockouts, war, military operations and requirements or national emergencies, or the installation of public utilities is restricted or curtailed.

11. Possession by Purchaser Prior to Closing. It is expressly understood and agreed that the Purchaser shall in no event take possession of the premises prior to the time of the delivery of the deed and full compliance by the Purchaser with the terms of this Agreement, and should the Purchaser violate this provision, the Purchaser consents that the Seller shall have the right to remove him from the premises as a squatter and intruder by summary proceedings. Upon the Purchaser's unauthorized possession, the Purchaser shall be deemed in default hereunder at the option of the Seller, and upon such election, the amount paid hereunder shall belong to the Seller as liquidated damages and the contract shall be deemed cancelled. It is further understood and agreed that the Seller will not be responsible for damage or loss to any property belonging to Purchaser whether same is delivered to the property on or after the closing of title herein.

12. Seller's Failure to Convey. The Seller's liability under this agreement for failure to complete and/or deliver title for any reasons other than Seller's willful default, shall be limited to the return of the money paid hereunder, and upon the return of said money, this agreement shall be null and void

and the parties hereto released from any and all liability hereunder. In any event, the Seller shall not be required to bring any action or proceeding or otherwise incur any expense in excess of 1/2 of 1% of the purchase price of the Home to render the title to the premises marketable or to cure any objection to title.

13. Acceptance of Deed - Full Compliance by Seller; Waiver of Jury Trial. Anything to the contrary herein contained notwithstanding, it is specifically understood and agreed by the parties hereto that the acceptance of the delivery of the deed at the time of the closing of title hereunder shall constitute full compliance by the Seller with the terms of this agreement and none of the terms hereof, except as otherwise herein expressly provided, shall survive the delivery and acceptance of the deed. All representations contained in the Offering Plan shall survive delivery of the deed. The parties hereto do hereby agree that trial by jury in any action, proceeding or counterclaim arising out of or from this agreement is hereby waived.

14. Municipal Certificates. At the closing of title the Seller will deliver the usual certificates (including those covering electrical installation) and it is further agreed that title will not close without Purchaser's consent until a temporary or permanent certificate of occupancy has been issued covering the building in which the Home is located.

15. Construction of Home by Seller. The Seller agrees, at its own cost and expense to erect and complete the aforementioned Home in accordance with the requirements as to materials and workmanship of the Building Department of the Town of Oyster Bay, and further agrees that when completed, same will be in substantial accordance with the plans as filed with the Building Department.

16. Changes in Materials, etc. The Seller reserves the right to: (a) make changes or substitutions of materials or construction for items as set forth in the models or Building Plans, provided any such changes are of substantially equal value and quality and are required and/or approved by the lending institution; (b) determine the exterior color and design, location of buildings, grading and design of all plots and dwellings to fit into the general pattern of the Community; (c) determine elevation and location of foundations (including reversal of the home layout), walks, and streets to conform with topographical conditions; (d) determine whether trees or shrubs currently on the property are to be removed; (e) determine the type of home to be constructed on a particular lot; (f) to fix the location of a home (including setbacks) within the lot lines; (g) add or remove retaining walls on the lots or common areas where required by grade conditions.

The Seller agrees to notify Purchaser of any major changes, specifications, deviations, additions or deletions which may be beyond the scope of the limitations thereon set forth hereinabove. If said major change affects the Common Areas it will be disclosed by a duly filed amendment to the plan. Such changes shall include but not be limited to the substitution of lots in the event topographical conditions on the lot selected are not conducive to construction of a particular model type on that lot. In the event that Seller notified Purchaser in writing of such changes and modifications, Purchaser shall be deemed to have approved of same, unless Seller receives Purchaser's written disapproval of such modifications and amendments within ten (10) days from date of the aforesaid notice by Seller. In such event, Seller may, at its option elect to withdraw its proposed changes and modifications and shall have thirty (30) days from receipt of Purchaser's notice to do so. Thereupon, the home shall be constructed as provided herein. Or, Seller may elect to effectuate the aforementioned changes and modifications irrespective of Purchaser's notice of disapproval. In such event, Purchaser may declare this Agreement to be null and void and shall be entitled to the return, within thirty (30) days from receipt of Purchaser's notice of disapproval, of all monies deposited hereunder by Purchaser, with interest earned, if any, at which time the parties hereto shall be relieved of all further obligations hereunder.

17. Selection of Colors, Options, etc., by Purchaser. It is further agreed that wherever the Purchaser has the right to make a selection of construction changes, optional extras, colors, fixtures and/or materials, he shall do so within ten (10) days after written demand therefor. The selections are to be made at Sellers sales and display offices or at the display showrooms arranged for by the Seller for this purpose. In the event the Purchaser fails to make such selection within such period, the Seller shall have the right to use its own judgment in the selection of colors, fixtures and materials and the Purchaser shall accept the same. Such written demand shall be by ordinary mail addressed to the Purchaser at the address herein set forth.

17 A. Extras. Any extras or changes ordered by purchaser shall be signed by the purchaser and must be paid for in full at the time of the order. If for any reason the Sponsor fails to install said extras in accordance with the work order, the limit of the Sponsor liability is a refund of the amount of the charge.

18. Execution of Required Documents, etc. Purchaser agrees to deliver to Seller all documents and to perform all acts required by the Seller to carry out the provisions of all applicable laws and regulations. This paragraph shall survive delivery of the deed.

19. Delay in Closing, Purchaser's Option to Cancel. In the event the Seller shall be unable to convey title to the Home on or before six months after the date of delivery of title set forth herein and except for delays due to strikes, acts of God, wars, lockouts, military operations, national emergencies, installation of public utilities, governmental restrictions preventing Sponsor from obtaining necessary supplies and/or materials, in which event the period shall be extended to nine months, except for the Purchaser's default, the Purchaser shall have the option to cancel this agreement and to have the down payment advanced by him returned to the Purchaser with interest, if any.

20. Assignability: Notice. The parties agree that the stipulations and agreements herein contained shall be binding upon them, their respective heirs, executors, administrators and/or assigns. The Purchaser agrees that he will not record or assign this agreement or any of his rights hereunder without the written consent of the Seller. Any notice to be given hereunder shall be in writing and sent by mail to the parties at the address above given or at such address as either party may hereafter designate to the other in writing.

21. LIMITED ONE YEAR WARRANTY. Warranties will be given to Purchaser at closing from Sponsor's contractors and manufacturers that the plumbing, heating, and electrical systems and roofing solely serving the above referenced home will perform their intended functions and will be free of defects in workmanship and material for a period of one year from the closing of title to your home. In addition, a Purchaser will receive the manufacturers warranty on all appliances. If a defect occurs in an item which is covered by any of these warranties, the contractor or manufacturer will (a) repair, or (b) replace the defective item. The choice among repair or replacement is the contractors or manufacturers. Written notice of any defect covered by these warranties must be given to contractor or manufacturer in writing no later than one year from the closing of title to a home. Where failure to give timely notice results in further damage, such further damage will not be covered by these warranties.

Purchasers should note that:

1. The warranties set forth above are given by the Seller's contractors and manufacturers retained by Seller and not by Seller.

2. Seller accepts no responsibility for any warranty obligation for incidental or consequential damage caused by any defect.

3. This warranty gives you specific legal rights. You may have other rights under State Law.

4. These warranties are extended to you as purchaser and are not extended to any subsequent purchaser and mortgage lender who takes possession of the home.

5. These warranties shall be void if Purchaser misuses, abuses or otherwise interferes with or changes Sellers original construction or installations.

6. These warranties are specifically in lieu of any other guarantee or warranty, express or implied including any warranty of merchantability.

22. Trust Funds. The Sponsor will hold all monies received directly or through its agents or employees in trust until the closing of title or Sponsor will post a surety bond issued by a New York insurance company securing repayment of such funds in the event the purchaser is entitled to such amount under the terms of the Offering Plan or Purchase Agreement. If no bond is posted, such funds will be held as trust funds pursuant to Section 352-h and Section 352e2(b) of the General Business Law, in a special account in Chemical Bank, 4900 Merrick Road, Massapequa Park, New York. The signature of Neal Kaplan, Esq., 4900 Merrick Road, Massapequa Park, New York, as attorney for the Sponsor, shall be required to withdraw any of such funds. Such funds will be payable to the Sponsor upon the closing of title to the Home conveyed by the Purchase Agreement. In the event of default by the Purchaser under such Purchase Agreement, which default continues for 30 days after notice of such default from the Sponsor to the Purchaser, the down payment may be released to the Sponsor from such account as liquidated damages and thereafter neither party shall have any rights or obligations against or to the other.

23. No Broker. The parties agree that no broker brought about this sale and Purchaser agrees to indemnify Seller against any claim brought by anyone else for brokerage fees based upon Purchaser's act.

24. Purchasers-Agents for Each Other. If two or more persons are named as the Purchaser herein, any one of them is hereby made agent for the other in all matters of any and every kind or nature affecting the premises herein or this agreement.

25. Entire Agreement. This agreement states the entire understanding of the parties and the Seller shall not be bound by any oral representations and/or agreements.

NORTHGATE DEVELOPMENT LTD.

BY _____

Purchaser

Purchaser

DEED

THIS INDENTURE made the day of
198 , between Northgate Development Ltd., a New York
corporation, having a place of business at 4900 Merrick Road,
Massapequa Park, New York, party of the first part and
residing at
party of the second part

W I T N E S S E T H:

That the party of the first part, in consideration of Ten Dol-
lars (\$10.00), lawful money of the United States, and other good and
valuable considerations, paid by the party of the second part, does
hereby grant and release unto the party of the second part, the heirs
or successors and assigns of the party of the second part forever,

ALL that certain piece or parcel of real property, with the
building and improvements therein contained, situate, lying and
being in Woodbury, the Town of Oyster Bay, County of Nassau
and State of New York and more particularly described on Exhibit
A annexed hereto and made a part hereof.

Subject to covenants, restrictions, reservations and ease-
ments of record.

AND TOGETHER with the benefits and subject to the burdens,
covenants, restrictions, by -laws, rules, regulations and easements
all as set forth in the Declaration of Covenants, Restrictions,
Easements, Charges and Liens made by the party of the first part
dated , 198 and recorded in the Office of the Clerk
of Nassau County on the day of , 198 , in
Liber of Conveyances at page

TO HAVE AND TO HOLD the premises herein granted unto the party
of the second part, the heirs or successors and assigns of the party
of the second part forever.

AND the party of the first part covenants that the party of the
first part has not done or suffered anything whereby the said premises
have been encumbered in any way whatever, except as aforesaid.

AND the party of the first part, in compliance with Section 13
of the Lien Law, covenants that the party of the first part will re-
ceive the consideration for this conveyance and will hold the right

This conveyance has been made in the regular course of business actually conducted by the party of the first part.

The word "party" shall be construed as if it read "parties" whenever the sense of this indenture so requires.

IN WITNESS WHEREOF, the party of the first part has duly executed this deed the day and year first above written.

NORTHGAGE DEVELOPMENT LTD.

By _____

STATE OF NEW YORK)
COUNTY OF) ss.:

On this _____ day of _____, in the year one thousand nine hundred and eighty _____, before me personally came _____ to me known, who being by me duly sworn, did depose and say that he resides at No. _____; that he is the _____ of the corporation described in, and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation and that he signed his name thereto by like order.

Notary Public

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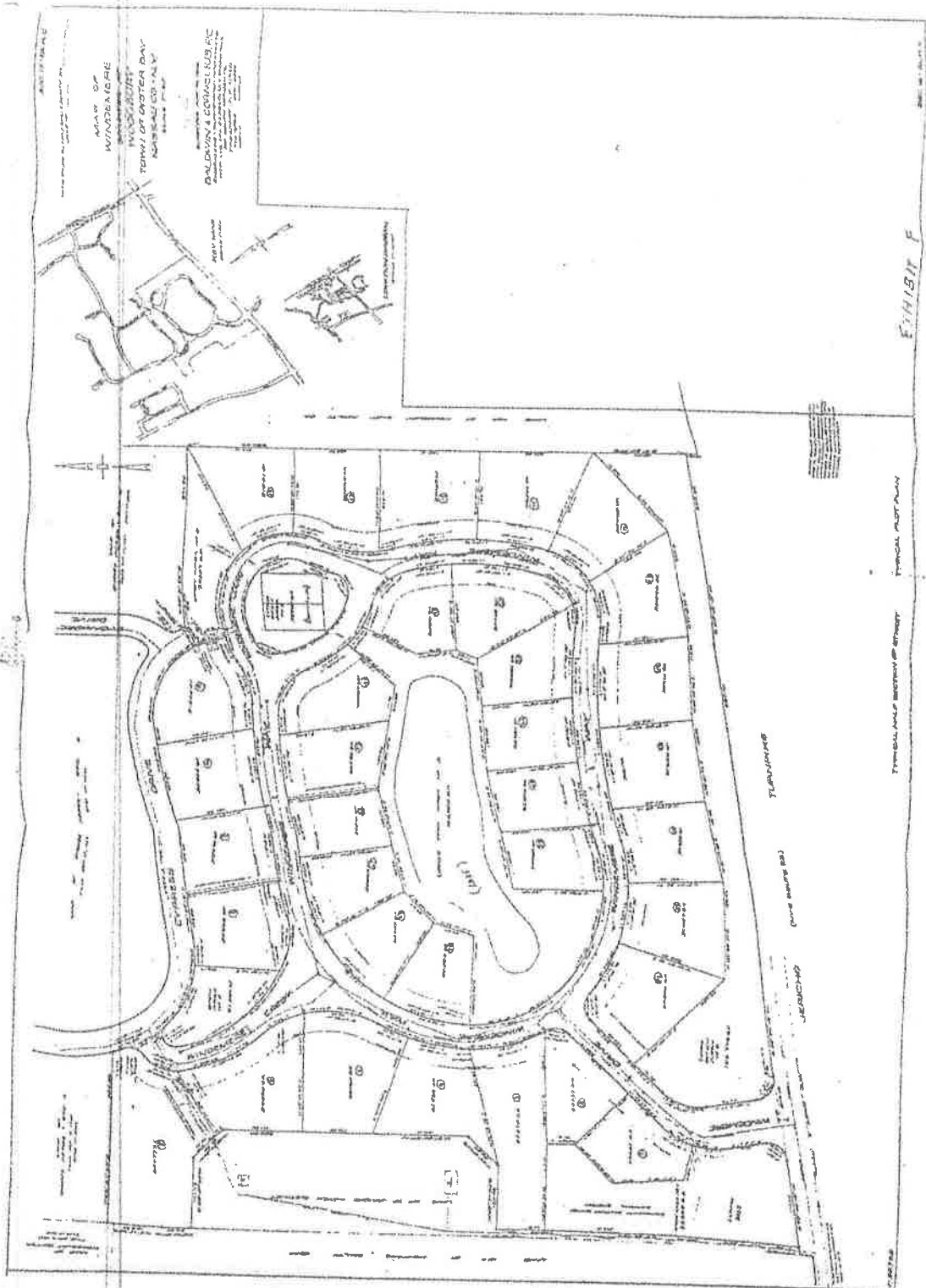


EXHIBIT F

STANFORD

CHURCH ST

POND

WATER

WATER

CHURCH ST

POND

WATER

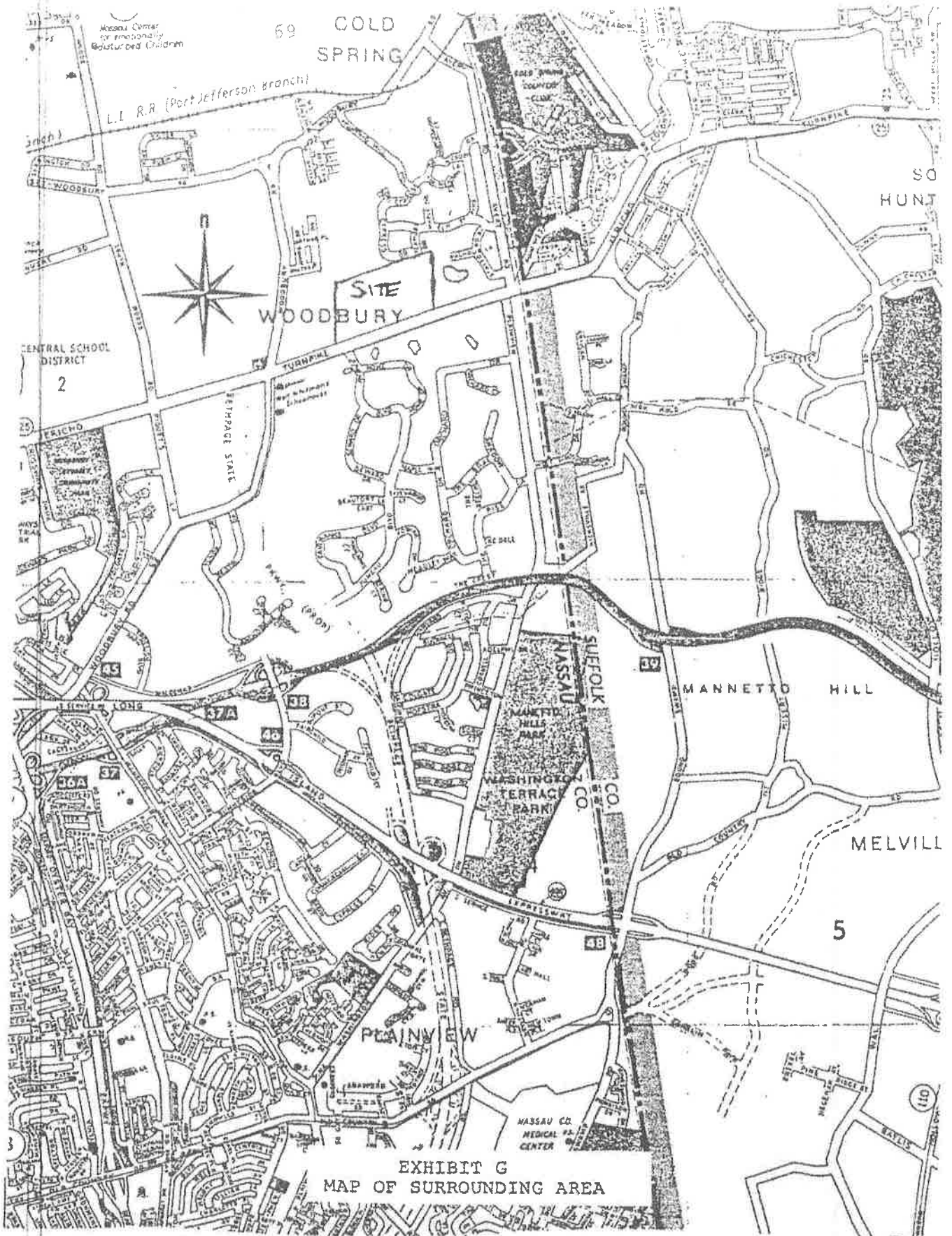


EXHIBIT G
MAP OF SURROUNDING AREA

BALDWIN & CORNELIUS, P.C.

CONSULTING ENGINEERS — LAND SURVEYORS

ESTABLISHED 1890

101 SOUTH BERGEN PLACE, FREEPORT, N.Y. 11520

PHONE: 516-378-6760

MUNICIPAL • ENVIRONMENTAL • TRANSPORTATION • SURVEY • CONSTRUCTION INSPECTION • COMMUNITY DEVELOPMENT • ARCHITECTURAL • MECHANICAL • LABORATORY SERVICES

SPECIFICATIONS
FOR CERTAIN PUBLIC IMPROVEMENTS
WITHIN
THE MAP OF WINDEMERE
WOODBURY
TOWN OF OYSTER BAY

Interior Streets

All interior streets will be constructed to the widths as shown on the Subdivision Map. Base course shall consist of 4-1/2 inches compacted stone-blend installed on a well drained, granular, compacted base. Blend base will be covered with a 1-1/2 inch plant mix asphalt topping, rolled and compacted in accordance with Nassau County Planning Commission Specifications for Residential Streets.

Curbing to consist of Portland Cement concrete or Belgian block embedded in concrete and mortared to provide a continuous surface to confine the flow of water within the gutter. The curb shall have a 5 inch reveal, excepting in driveway locations where a 1 inch reveal will be maintained.

Tennis Courts

The tennis courts shall be constructed using a 4 inch thick stone-blend base, rolled and compacted on a well drained granular base, topped with 1-1/2 inch plant mix asphalt compacted to provide a density equal to Nassau County Planning Commission Residential Street Specifications.

The finished playing surface will consist of a 4 coat acrylic system consisting of 1 black resurfacer coat, 2 coats of green acrylic filler, and 1 coat of green acrylic sealer. Court lines, boundary lines, will be applied using white acrylic line paint.

Tennis court playing area will be enclosed with chain link fencing, with gates provided for access and maintenance.

Rainfall Storage and Permanent Aesthetic Pond

A permanent pond created for the enhancement of the natural scenic beauty will be constructed through the center of the middle block within the Subdivision. The pond will be contained within a common area of approximately 4 acres and will have permanent surface area of approximately 1.8 acres and an area at full retention of 2.9 acres. The pond will be created in a natural impounding area, enlarged and deepened to provide a 2 foot depth of standing water. The bottom area of the permanent ponding area will be lined with a bentonite soil to prevent seepage into the subsoil and maintain the water level at the 2 foot elevation.

Bank areas and elevations above permanent water surface will be formed and shaped to provide maximum slope of 1 on 6, and shall be planted with grass to provide stabilization. Grass seed shall be farmed locally to insure compatability with local climatic conditions. The maximum slope of 1 on 6 will be maintained in the bentonite area to preclude any sudden changes of elevation or slope. Sod and slope shall extend to an elevation sufficient to retain 50% of an expected 8 inch rainfall within a 48 hour period, and positive overflow into the storm drainage system lying north of the subject premises shall be provided. The overflow mechanism shall consist of an encased subsurface weir using spillway elevation established at the 8 inch rainfall level.

Baldwin & Cornelius P.C.

Edward H. ...



CONKLIN ROSSANT

251 PARK AVENUE SOUTH, NEW YORK 10010, TLX 422641, 212 777 2120

WILLIAM J CONKLIN FAIA
JAMES S. ROSSANT FAIA AICP

WALTER P. BOGNER AIA
ROBERT CRAIG McMILLAN AIA
WALTER B. MAHONY III AICP

THOMAS ARNE ANDERSON PE

STATEMENT OF DESCRIPTION OF GATE HOUSE
WINDEMERE, JERICHO TURNPIKE, WOODBURY

To be a one-story wood frame structure on concrete slab on grade approximately 110 square feet in area, located approximately 110 feet in from Jericho Turnpike as indicated on subdivision map. The gate house is approximately 8'-0" by 16'-0".

A double pitch roof rises to a ridge 14'-2" above finish grade. Exterior finish materials to be: random coursed stone base to a height of 3'-0" above finish grade; double glazed fixed glass windows; clear cedar tongue and groove siding applied vertically; and asphalt roof shingles. Sliding aluminum doors are on each side of the structure.

